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In re Far East armaments
matter

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By *AKB* NARS, Date 12 MAR 79

JAPANESE DIPLOMATIC SECRETS, 1921-22: The story of the events leading up to and including the Washington conference on the Limitation of Armaments and Pacific and Far East Questions as revealed in the private diplomatic correspondence of the Japanese embassy in Washington.

By

Marie Stuart Klooz

Illustrated

Suggested alternate titles:

The Listening Post

Diplomatic Eavesdropping

Embassy Keyholes .

Embassy Eavesdropping

Diplomatic Keyholes

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PREFACE

Those who have read Major Herbert O. Yardley's fascinating book on the origins and activities of the American cryptographic bureau as told in The American Black Chamber need no preface to explain the marvelous work of that organization in breaking the diplomatic and military codes of twenty countries during the period of its twelve years of existence from 1917-1929.

In Chapters XIV and XV of that volume the complete account of the attempts to solve the Japanese code, the brilliant success and the astonishing results are dramatically told. The Black Chamber sent the first translations of Japanese decipherments to Washington in February 1920. These were considered by General Marlborough Churchill, director of military intelligence, the most remarkable accomplishment in the history of code and cipher work in the United States.

During the Washington conference some five thousand messages which contained the secret instructions of the Japanese plenipotentiaries were deciphered and sent to Washington for the information and assistance of the American delegation. It was this, the culmination of five years indispensable work, that won the Distinguished Service Medal for Major Yardley.

A few of the more startling cablegrams dealing with the conference appear

in Chapter XVI. Just how these came into the hands of the American bureau remains a professional secret. Whether copies were stolen by American agents or by Japanese who did not realize for whom they were working must remain hidden.

This irregular system of supply accounts largely for the gaps in the consecutive numbers of the messages. They are not all in the files of the American government. Some unfortunately are missing. Sometimes the comparatively unimportant, but occasionally vital documents escaped the hand of the government agent. For that reason one must surmise the missing contents and rely on standard accounts that appear so briefly and inadequately in the newspapers to fill in the gaps. I say "inadequately" not to cast aspersions on The New York Times which was used almost exclusively but rather to indicate the difficulty of the press in getting any solid, inside truth, -- anything other than especially prepared propaganda.

Though one would think that Secretary Charles Evans Hughes could not possibly err with the private instructions of the chief powers and the main oriental antagonist before him, - with his knowing as much about the Japanese affairs as did the plenipotentiaries themselves, - it is necessary to remember this:

The messages were received in the New York office of the bureau anywhere from one to seven days after they reached the embassy in Washington. From

a single day to several weeks was required for their solution depending on whether a familiar code had been used or whether new elements were introduced that had to be solved first. Incidentally the American bureau broke over thirty different varieties of Japanese code in a period of ten years. For some of the messages speed was not essential to the value of the information contained therein. Others merely confirmed the beliefs and suspicions concerning certain negotiations and plans that had taken place.

This book endeavors to present the whole detailed story more completely and more thoroughly than was possible in one chapter of Major Yardley's book. Because I believe these documents to be a definite contribution to the true story, the so-seldom-known story of secret diplomacy and to the history of an era important to the American people and of the members of a race increasing in importance in world affairs, I decided to edit and prepare them for publication, being careful to reject any that might embarrass either the United States or Japan, and any that by the remotest chance could cause ill feeling between the two nations. Besides supplementing their text with sufficient explanatory material to recall to the lay reader the background for certain dates, places, people and events, I have added personal comment as a challenge to the reader. Italics throughout are the editor's.

Marie Stuart Klooz

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Part I.

Origins of the Washington Conference.

Chapter 1.

Who Killed Cock Robin?

Though beginnings aren't as important as results, nor as interesting as the events that follow, nevertheless, to some people, knowing "Who started this anyway?" is as entertaining and satisfying as knowing "And then what happened?"

The origins of the Washington Conference for the Limitation of Armaments are obscure, but some interesting intimations are to be found in the Japanese secret messages of that period previous to the opening of the conference in Washington on November 12, 1921. These messages were the routine reports and instructions exchanged between the foreign office at Tokyo and the embassies in Washington, London, Paris, Rome, and Peking. Not all of them found their way into the hands of the American Black Chamber, as the United States government military and diplomatic cryptographic bureau has since been nicknamed by its recent head, Major Herbert O. Yardley whose work is so amazingly revealed in his book by that name. But a sufficient number of them did find their way to the bureau where they were duly unraveled by the code and cipher experts to

enable our government to keep a thoughtful finger on the pulse of Japanese affairs.

If Warren Gamaliel Harding, duly elected Republican president, gets publicly the credit for shooting the arrow that killed Cock Robin to summon the first more or less successful conference on the limitation of armaments, it was only after others had shot and missed, or had passed their arrows on to him, fitted them to the string, handed him the bow, and guided his arm. One can almost imagine his saying, "Don't rush me, the bird won't get away," after reading some of the messages that Baron Kijuro Shidehara, Japanese ambassador at Washington sent home to Count Yasuya Uchida, Japanese minister of foreign affairs.

It is true, of course, that the armament conference grew out of the newly awakened sense of leadership and responsibility of America in world affairs toward world peace, but some one had to shoot the arrow. On February 2 Count Kikujiⁿ Ishii, ambassador at Paris, relay^{ed} that it all started with a party of men who were ambitious for places in the next cabinet. ^(tent.) When the President-elect stayed in Washington a few days, December 5 to 7, 1920, in order to make his last senatorial appearance, he was a house guest of Edward B. McLean, late owner and publisher of The Washington Post. On his last day Harding received such callers as Senator Hiram Johnson of California, Senator William

E. Borah of Idaho, Senator Frank B. Brandegee of Connecticut, Senator Henry Cabot Lodge of Massachusetts, Senator Frank B. Kellogg of Minnesota, Senator Reed Smoot of Utah, Senator Harry S. New of Indiana, Senator George W. Norris of Nebraska, Calder Phipps, House Speaker Frederick Huntington Gillett of Massachusetts, Former Secretary of War John S. Weeks and Harry M. Daugherty, Columbus lawyer.)

(space)

Paris-Tokyo, No. 139.

February 1, 1921.

Paris-Washington, No. 45.

February 2, 1921.

..... As there were questions concerning America on the program of the supreme council, Ambassador Geddes was summoned to Paris immediately on his arrival in England. He was present at, and we began a discussion of the movement in the American congress for the reduction of armaments.

I said that I thought the American press correspondents had misreported to the American newspapers the declaration made at Geneva, and that Borah had irresponsibly introduced his resolution in the senate under the influence of these reports.

Geddes said that the American officials and people well know the action taken at geneva, and Mr. Borah knew it also, but, at the present time while peace has not been made, he thought that America did not wish for any reason whatsoever to wage war abroad. This was the reason for the strong opposition to Article X of the league covenant. At the same time any negotiations of

~~and~~ means to promote peace would win popular favor in America.

For this reason, a party of men who are ambitious for seats in the next cabinet had met at the house of Mr. McLean and had agreed to start an active movement for the reduction of armaments.

The movement may be traced to this agreement.

(22-10-1920)

The newly-instituted League of Nations took first aim at Cock Robin by voting November 25, 1920 to seek American aid in their disarmament problems and four days later invited America to send a member to cooperate with their committee on the limitation of armaments. It didn't take America long to refuse this invitation, just nine days. This was said to be due to the fact that President Woodrow Wilson realized from the overwhelming defeat of the League of Nations at the November election that the American people preferred to stay at home rather than cooperate with their neighbors and that he did not wish to bind the incoming president by any well-meaning acts that were liable to be unpopular no matter how altruistic they were. Nevertheless the Japanese thought, as well as the English, that it was merely American pride and refusal to play unless America could be the originators and the leaders in accomplishment.

The famous conference in the Little Green House on K street leaked abroad resulting in many after dinner speeches, much forum oratory, many resolutions and something new to talk about at the dinner tables. General Tasker H. Bliss began

it at the Philadelphia Public Ledger peace conference forum on December 10, 1920 by suggesting that the United States take the lead in a definite proposal and demand for a reasonable limitation of armaments.

The next day Senator Thomas J. Walsh of Montana introduced a resolution directing President Wilson "to express to the Council of the League of Nations the earnest desire of the United States to cooperate with the commission appointed by the Council to formulate general reduction in armaments plans," This provided for the appointment of an American member of the disarmament commission by the President to be confirmed by the senate and was referred to the foreign relations committee.

The same day, Japan in the form of Count Ishii, now ^(May 1937) delegate to the League of Nations, astonished Europe and America by declaring in substance that Japan desired an armament holiday, but was unable and would be unable to effect this desire as long as the United States did not participate in a like holiday.

Senator Borah couldn't let that challenge pass unnoticed. Three days later, December 14, he decided to call Japan's bluff by introducing the following resolution which was also referred to the senate foreign relations committee:

That, in substance, the President advise Great Britain and Japan to consider with us the disarmament question in order that the building program of all three shall be reduced annually during the next five years to fifty per cent the present rate.

Next, Secretary of the Navy Josephus Daniels in testimony before the house naval committee on December 17 advised Harding to call a disarmament conference of nations for a world wide agreement. This led to a rumor January 6, 1921 that he might call one in connection with his association-of-nations scheme. Two days before this ^{Republican} Representative Alvan T. Fuller from Malden, Massachusetts, ~~Republican~~, had introduced to the house a joint resolution instructing President Wilson to accept the invitation of the League of Nations to appoint an American representative on the League's committee for disarmament.

Secretary Daniels and Norman H. Davis, under-secretary of State, both appealed for disarmament before the house naval committee on January 11, 1921. Though Harding denied these rumors on January 15, the British ambassador at Washington, Sir Auckland Campbell Geddes, took them enough to heart to sail for home the same day to talk things over with Premier David Lloyd-George and ^{George Nathaniel Curzon,} the British secretary of state of foreign affairs.

^{Republican} Representative Edwin B. Brooks from Newton, Illinois, ~~Republican~~, on that same eventful day, January 15, presented to the house foreign affairs committee a resolution authorizing President Wilson to invite the nations of the world to send delegates to an international convention to consider the ways and means of disarmament. Two days later there was another Harding disarmament rumor. On the

twentieth the Senate committee on Foreign Relations reported favorably the Borah disarmament resolution. The Walsh resolution was killed as was also a motion by Senator Porter J. McCumber of North Dakota to include France and Italy. Senators Atlee Pomerene of Ohio, Gilbert M. Hitchcock of Nebraska, John Sharp Williams of Mississippi, and Philander C. Knox of Pennsylvania were active in the success and defeat of these motions. There were just five weeks and a few days before the new administration came in. No wonder Shidehara thought there was small prospect of a resolution favoring disarmament being acted on by the present administration. Not only the mills of the gods grind slowly.

Washington-Tokyo, No. 42.

January 25, 1921.

The Borah joint resolution was amended in the senate foreign affairs committee to read "with a view of promptly entering into a treaty by which the naval building programs of Great Britain, Japan and the United States" etc. (continuing as in my cablegram No. 625), and was favorably reported to the Senate of January 21.

During the committee discussion Senator Pomerene moved the inclusion of the Walsh resolution calling on the President to express the willingness to cooperate with the League of Nations council and disarmament committee, and to appoint a commission for this purpose. This was opposed by the Republicans and was defeated.

Senator McCUMBER moved a resolution to include France and Italy as well as Great Britain and Japan in the Borah resolution. HITCHCOCK opposed this on the ground that if France and Italy were included, Brazil and the Argentine must also be included. Finally the resolution was defeated, having received only the support of WILLIAMS. A motion by POMERENE to combine the Borah and Walsh resolutions was also defeated. Finally the amended Borah resolution passed the committee against the opposition of only KNOX and WILLIAMS.

The amendments entirely amended the first part of the original text. On motion of KNOX the word "understanding" was changed to "treaty". The provision for a fifty per cent reduction was eliminated, thus much weakening the resolution.

The Borah resolution was originally based on the reason given in my cablegram No. 624. It is argued that with the discussion and publicity given this resolution Japan has no reason to use the pretext that she would like to limit naval construction program, and that the resolution has already achieved its original purpose. It is also reported that KNOX and LODGE do not wish to restrict the activities of the incoming President with respect to so important a question. It is also said that the Brooks resolution is being discussed in the House of Representatives, etc., and therefore the discussion of the Borah resolution may be postponed. Some quarters also believe that WILSON will veto the resolution.

cannot take the initiative because of the American Naval construction

Putting all these things together, it is my impression that there is small prospect of a resolution of this sort in favor of disarmament being acted on by the present administration at least.

And so the world looked to Harding for action. Chairman Thomas S. Butler of the house naval committee on February 4 said positively that "according to inside information" Harding would call an international conference, but Harding repudiated him by denial a week later. Meanwhile Geddes returned from England reputedly authorized to press for disarmament, to urge a call for a world conference and all Washington sat up and expected action as soon as the inaugural excitement died down.

Harding dilly-dallied and did nothing other than to tell Frederick Hale of Maine and Miles Poindexter of Washington of the senate naval affairs committee that he was opposed to immediate action on the Borah disarmament amendment and Stephen G. Porter of ^{Pennsylvania} ~~Pittsburgh~~ and John Jacob Rogers of Massachusetts of the house foreign affairs committee the same on May 3. As a consequence, the senate committee the next day rejected Borah's proposal and the house committee decided to drop theirs. But Borah was out for Cock Robin. He refused to be discouraged and offered a new resolution on the same subject.

May 6 there was a rumor that Ambassador George Harvey at London had been instructed to sound out the allied supreme council on an international disarmament conference. The senate rallied to assert itself and adopted unanimously

the new Borah amendment on May 25, thus forcing Harding's hand and he confirmed the report of Harvey's informal queries as to a disarmament conference the last day of May.

Washington-Tokyo No. 307

May ?, 1921.

Washington-London No. 150

June 1, 1921.

1. The American President has frequently indicated that he feels that the question of whether or not to hold an international conference in America on the reduction of armaments is a matter which should await the initiative of the President and which requires no instructions from Congress.

2. The house of representatives respected this opinion of the President's and passed the navy appropriation bill without annexing any provision regarding convening such an international conference.

3. The President is said to have since decided not to persist longer in his opposition to the Borah amendment for the following reasons:

A. American religious societies, womens' clubs, etc., have recently gradually developed a vigorous agitation in favor of reduction of armaments, and public opinion is inclined to declare itself in favor of this movement.

B. Borah has this year concentrated his mind on the effort to pass a resolution in favor of holding this international conference, and has frequently indicated a purpose of blocking the passage of the navy appropriation bill unless he receives guarantees that such a resolution will also pass.

C. The Borah amendment does not impose any direct obligation on the President, and even if it is enacted, it cannot bind the

President to call an international conference.

4. In the house of representatives there is argument in favor of not attaching the Borah amendment to the appropriation bill, but making an independent resolution, and there will be more or less controversy about this point.

5. Observers think that the President, even if the Borah resolution is enacted, may not immediately call an international conference, but may plan to watch the development of public opinion for a while still, and to carry out the resolution after a proper interval. Within the last day or two there appear here and there in the newspapers rumors that the President considers it very necessary to have some conception of the views of other countries, particularly Great Britain and Japan, before America takes the step of calling the conference, and that he has already sent secret instructions to American representatives abroad to feel this out without any publicity.

June 21 Lloyd George even offered to discuss a limitation of armaments

proposal, and the Japanese diet party visiting Washington told newspaper men on

the twenty-ninth that formal steps would be taken in the diet on their return

to establish an international agreement on disarmament. Finally, the house

adopted the Borah amendment the last day of June. What was there left to do?

The informal invitations were cabled ^{Saturday,} July 9 and Japan consented to an armament conference ^{Wednesday,} July 13.

Until then there had been no talk in America about a conference on Pacific and Far East questions, but there was heavy feeling over the renewal of the Anglo-

Japanese alliance which fell due July 13. Just how did the second part of the agenda creep into the conference? Shidehara surveys the whole situation and makes some shrewd observations in his lengthy dispatch of July 18.

(space)
Washington-Tokyo, No. 408.

July 18, 1921.

~~Very confidential.~~

I beg to submit for what they may be worth my observations in regard to the proposal of the American Government to convene a conference of the Powers.

1. The American President has recently noted a tendency of the American congress to meddle in matters which naturally fall within the jurisdiction of the executive, and has been disturbed by it. In particular, things like the so-called BORAH resolution for the holding of a conference among Japan, Great Britain and America in regard to the reduction of naval armaments are essentially a matter of foreign relations which under the constitution are under the initiative and control of the President, and the President was annoyed that the ~~the~~ Congress should make this suggestion, but the resolution was made a provision in the navy appropriation bill, and if the President wished to veto it, he must veto the whole navy appropriation bill, which at that time would have caused serious damage to the actual administrative work. The President therefore approved the whole appropriation bill, but adopted the interpretation that the part of it which embodied this resolution was merely the expression of an aspiration of congress, but was not valid under the constitution to bind the President.

The President, however, could not ignore the general demand of the American people for a reduction of armaments. Another phase

was that a section of American public opinion and particularly the opposition party was attacking the lack of any progress since the inauguration of the President in producing the betterments which had been promised. The administration therefore felt the necessity of carrying through some new scheme which would hit the popular fancy.

It happened that the terms of the ~~BORAH~~ resolution limited participation in the conference to Japan, Great Britain and America, and the purpose of the conference was merely the reduction of naval armaments. By overriding these restrictions and proposing to have all five great powers discuss the question of the reduction of armaments including land, sea and aerial armaments, it was hoped to display the purpose of not being formally bound by the terms of the ~~BORAH~~ resolution while at the same time the spirit of the resolution would essentially be adopted, and satisfaction would be given the national public opinion which was demanding the reduction of armaments.

At first the President planned to call a conference of the powers merely to discuss the reduction of armaments, and on ^[Saturday] July 9 cabled instructions to the representatives of the United States to the five great powers to sound informally the views of the governments to which they were accredited on this question. Publication of the proposal was postponed until such time as the results of the proposal should be seen. It happened, however, that Great Britain was soliciting America and urging that it was the duty of the American government to call a conference of the powers on the Pacific question. Through negligence it was announced prematurely in the British House of Commons that some such negotiations were in progress with Japan, America and China. ^[Thursday, July 7]

This disclosure attracted the attention of the American newspapers and the President and the secretary of state were constantly questioned about it in their regular meetings with the press correspondents. It was therefore no longer possible for the American government to keep secret its intentions about the matter of having a conference of the powers on the Pacific question, and I conceive that finally, later than my interview of July 9 with the secretary of state, it was decided to connect the Pacific and Far Eastern questions with the subjects of discussion of the proposed conference on armaments, and to announce this as soon as possible.

3. As the part of the American proposal which refers to the Pacific and Far Eastern questions was thus decided on at a moment's notice, there was no thorough plan prepared in advance, but, as this question had already been under negotiation between the British and Japanese governments, the American government expected that the Japanese government under British pressure would not declare itself unwilling. They seem to have expected as a matter of course the unconditional acceptance of China and all the five great Powers, but two difficult questions have since been encountered, contrary to the expectation of the American government. The first is the attitude of the Japanese government, and the second is the proposal of the British government that a preliminary conference be held at London.

4. With regard to the attitude of the Japanese government, as a result of my interview with the secretary of state on July 14, the later has come to the belief that before the conference is opened it will be necessary for the participating governments to negotiate with regard to the agenda. In not a few newspaper articles which presumably have received the views of the government authorities there appear arguments that the agenda which may be prearranged by such negotiations

will merely be a tentative program and that it is indispensable that the conference itself shall decide on all proposals, and that the American government is not in a position of its own accord to specify the scope of the subjects for discussion.

5. The British proposal to hold a preliminary conference in London seems also to have much agitated the nerves of the American Government. Not only has there for years been a cherished desire based on American national vanity that international conferences shall hereafter be held at Washington, but it would probably be unendurable for this Government if this important conference which it has just proposed should be held in another country. Very spiteful comment on the proposal of the British government has already been published in American newspapers.

6. The claim of the Japanese government to secure a clear understanding of the nature and scope of the subjects of discussion before the conference meets is naturally not to the liking of the American government; but, when it is looked at fairly, it cannot be considered an unreasonable demand. We would not have consented heedlessly to participate in the conference without arranging even with the British government the subjects to be discussed. It will not be necessary suddenly to ^[Ed. note: Possibly question] the intentions of the American government, but I think that we should exhaust every argument in support of our claims.

It is very important, however, that Japan shall not give the public opinion of the world the mistaken impression that we are indirectly trying to block the holding of the conference, and if the American government shall announce that it will reach a clear understanding as to the nature and scope of the subjects of

discussion before the conference meets, I think that it would be proper for the Japanese government to accept the American proposal that the Pacific and Far Eastern questions be discussed together with the question of the reduction of armaments.

(apoc.)

Harding chose unwisely to complicate the issue to protect the executive ego from inroads of congress. By adding land and aerial armaments to the simple agenda he showed lack of understanding of the European situation. Was it wise to expect five nations to limit land and aerial armaments when the large majority of armed nations were not represented? *Besides why duplicate the work of the League of Nations committee on the limitation of armaments?* He apparently over-rated the importance of the prestige in land armaments of the "big five" and under-rated the independence and caution of the minor powers of the League of Nations besides ignoring their outlooks, opinions and prospects for national safety.

Bringing in France and Italy to talk disarmament just to assert executive independence by ignoring the restrictions of the Borah resolution wasn't even original. Senator McCumber had proposed it in the foreign relations committee debate on the Borah resolution in January. Moreover, it was short-sighted and showed a lack of ability to gauge the feeling of the French people and to evaluate their demands to assume that France would reduce her army without the desired guarantee of a defensive alliance treaty with America and England even if all the other uninvited countries of Europe were to reduce drastically.

It was evident that petty politics, an endeavor to subdue a local mutiny, a

defection within the ranks, had blinded the chief executive to the importance of his step, either that, or he was just insufficiently informed as to the status of European affairs.

To make a bad job worse he added a conference on the Pacific to his already impossible agenda, resulting in a heterogeneous, undigested mess. No wonder Japan ^{it} worried about it, for ^{it} lacked that first essential of a coordinated whole: unity.

One infers from Shidehara's observations that if Lloyd George had not made his slip in the house of commons ^{Thursday, July 7,} that the Pacific question might not have been added hastily to the American agenda, or that Harding might have permitted Curzon to hold his preliminary conference in America as he desired. But American pride was aroused. Not only would there be no preliminary conference in London, but there would be no preliminary conference at all! Shidehara blames it on American vanity.

Methodical and scholarly Japan wished to know where she stood. Forewarned is forearmed. If she was to be attacked in any of her diplomatic sore spots, -Shantung, Manchuria, Yap, Siberia, -she wanted to know about it in order to protect herself with statistics and legal arguments, or to refuse to come at all. Though one usually doesn't know the exact questions before the examination, it is only a very green or a very mean professor who will not tell his classes in a general way what to cram if he expects anyone to pass his quizzes. If Japan as a nation was inexperienced in diplomacy, both Harding and Hughes seemed at this stage of the game to be rather new

themselves.

The Pacific conference then, which later was to be combined with the armament conference, grew out of the desire of England to replace the Anglo-Japanese alliance happily with a wider treaty membership. Lord Curzon suggested on ^{Monday,} July 4 to Baron Gonsuke Hayashi, Japanese ambassador to London, that America, China, France, Japan, and the South American countries meet with England to discuss pending questions of the Pacific.

London-Tokyo No. 813.

July 4?, 1921.

London-Washington No. 289.

July 5, 1921.

~~Very confidential.~~

1. Referring to my cablegram No. 806, on July 4 I called on Lord CURZON by invitation.

2. Lord CURZON first explained his note of July 2. He thought that the joint communication of last July to the League of Nations was not to be considered as constituting in itself notice of the denunciation of the agreement of alliance. He had consulted the law officers of the crown (the solicitor general and the attorney general) and they had united in the contrary opinion. Since the opening of the dominions conference, circumstances had arisen which made it hard to get ahead with the discussion and he had again consulted the Lord CHANCELLOR and had explained the points brought up by the two governments. The Lord CHANCELLOR had given an opinion that the joint notification of July 1920 was not sufficient to meet the express stipulation of the agreement that the alliance should continue as long as neither country gave notice of its denunciation, and added that as there were also strong political objections to this view, that the latter also demanded

consideration. This opinion was the occasion of Lord CURZON'S note of July 2.

It followed that there need be no haste in solving the question of renewing the alliance. After July 13 the alliance would continue in force as before, within the limits of the spirit of the covenant of the League of Nations. In view of this circumstance, the British Government hoped to make a study of the various questions of the moment. If he might speak frankly, there had been an entire change in the circumstances of the alliance. Anxiety (?) was no longer felt about India.

(Note. This message was sent in two sections, the first of which ends here. The second section which follows is fifteen or twenty per cent garbled, with occasional long gaps, and the meaning has largely to be guessed.)

On the other hand Great Britain was entirelyand with regard to China there was not a littleCanada was opposed to the renewal of the alliance. This was merely because Canada felt of the influence of the American attitude from geographical reasons.

It had been suggested that if Japan, America and Great Britain would.....

[Ed. note] possibly get together,] they might open a Pacific conference and discuss pending questions. Of course this was not.....[Ed. note. Possibly,] certain or definite].

He was first confidentially communicating this to the Japanese government for thorough consideration. When these views had been communicated also to the American ambassador and the Chinese minister, it was hoped that all the allies would send delegates. He expressed the hope that France and the countries of South America would also participate. Some place in America would be chosen for the conference and the time would be late this year or at the beginning of next year.

As the foregoing has not a few points of resemblance with the views of Churchill which I reported in my cablegram No.748, I think that those are views which have been worked up in Government circles. The attitude of America is not yet clear, but if the Japanese Government makes no objection to the British proposals, I think America will naturally proceed to express the purpose of participating. The matter of the subjects to be discussed will be postponed.

Please cable me instructions.

(space)
England was working desperately to settle her Pacific problems to please America and Japan alike. Hayashi cabled Uchida four days later that Lord Curzon had suggested to the American ambassador that it would be a wise move to have the United States take the credit for the conference and to invite Japan, Great Britain, China, and France and to a conference in America. Evidently Harvey had ruled out South America. Moreover, Curzon told Hayashi that Harvey had said that he thought America would be glad to accept the proposal.

London-Tokyo No. 825.

July 8th, 1921.

London-Washington No. 296.

July 8, 1921.

~~Very confidential~~

..... Lord Curzon said that he felt much [Ed. note. Possibly, elated] at the approval he had received for suggesting the conference on this matter. He had had an interview with the American ambassador on the matter and had suggested that it was proper to arrange to have the United States sponsor (!) the conference and send invitations to Japan,

Great Britain and China and have the conference in America. The ambassador said that he would transmit this to his government and he said confidentially that he thought the American government would be glad to accept this proposal. His Lordship added that he thought that it would be necessary to invite France also, and asked whether I had received any reply from my government.

I said that I had received no reply, and explained that I had recommended to my government that it should postpone consideration of the substance of the subjects to be discussed by the conference and announce its approval of the conference.

His Lordship said that he wished to keep constantly in close touch with me while this matter was pending, and suggested that as there would be interpellations in Parliament he would like to be informed in a general way of the views of the Japanese government by next Monday [July 11]

The prime minister also said in reply to interpellations on the alliance in the house of commons on July 7^[Thursday] that if possible he would make a detailed statement on July 11. Please therefore arrange to have some instructions on this matter reach here by Sunday or Monday.

(Note. The rest of the message, which was sent as the third section, is very badly garbled. Following is a doubtful paraphrase).

Furthermore it is desired to have the invitations appear to proceed from the American government and not to have it appear that it is the plan of the British government.

(space)
Just why Curzon wished to have the invitations appear to come from the American government and not to seem the plan of the British government was explained in an-

other cable of Hayashi's the next day.

(space)

[Friday]

The Times and other London newspapers of the eighth reported that the premier said in the house of commons on July 7 that whether or not he made an explanation would depend on the answers received from Japan, America and China. This phrase was omitted from the minutes of that day.

Putting together the accounts in all the London newspapers, it appears that the premier did on that day actually use the language printed in The Times, but later it was feared that if such a statement were made it would be an exposure of the fact that Great Britain had prompted America to issue invitations to this conference, and that this would interfere with the wish of Great Britain to have it appear that the conference was wholly due to the initiative of America. The phraseology was therefore immediately stricken from the record, and officially the statement was never made, and no harm is done to the idea that the conference is entirely based on American initiative.

I believe that this is the truth of the matter, in view of the fact that the British authorities think that the reduction of naval armaments is the kernel of this conference, and they think that to attain this purpose it is necessary to have the initiative proceed from America.

(space)

Though Pacific problems were important to England, the problem of ending the armament race was even more important and, since America had ignored and refused to cooperate with the nations of the world in the League of Nations, nothing they could do would be satisfactory unless America could be coaxed to do likewise. If Mahomet wouldn't go to the mountain, the mountain would have to go to Mahomet. Since she refused to attend any other, the United States must be cajoled into sponsoring her own conference. Moreover, England knew that the American people were as a whole indifferent to Pacific problems, but they were more or

less aroused over the necessity of limiting armaments. Therefore, to entice America to give voluntary attention to international problems, one must dangle the watch of an arms conference before her eyes.

But Lloyd-George in his anxiety to pacify the house of commons which was hounding him for information on possible action on the Anglo-Japanese alliance almost spoiled the broth. England, proud of her young daughter, wished the world to think that she was taking these first steps in international cooperation alone, rather than after a friendly maternal shove. Also, American pride might resent suggestions from the mother country. And so "the phraseology was therefore immediately stricken from the record."

Due to pressure at home and abroad, Secretary of State Charles Evans Hughes sent out the secret queries to America's representatives in Japan, England, France, and Italy to discover the attitude of these countries on attending a conference on the reduction of armament in America. ^(Fact.) (For text of Shidehara's cable to Uchida, No. 386, July 10, 1921, see Page 284 Yardley's The American Black Chamber.)

At last Cock Robin was dead and the wheels for the conference had begun to turn.

Part I.

Origins of the Washington Conference

Chapter 2.

Cock Robin's Funeral Plans.

If one might figuratively characterize the person responsible for launching the international conference on disarmament as he who killed Cock Robin, one might carry the figure further and represent the futile efforts of Lord Curzon to hold a preliminary conference on the Pacific question and the successful maneuver of Shidehara to obtain a preliminary detailed program of the business of the conference as the family squabble over the funeral arrangements.

In the first chapter we saw how the plot began . In this we will see how the English persisted in their desires until almost the very last though America never at any time gave them any encouragement as to possible success, how the Japanese, because they thought they had not been sufficiently considered by their allies, refused to lend support to their desires, and how America took a trick from English hands and "muddled through."

Premier Lloyd George was so sure that America would see things his way, - that the American proposal for a conference on both disarmament and the Pacific question included too much and that it was better to have a merely Pacific conference, - that he announced

in reporting the American invitation to the House of commons^{July 11} that America had invited England to a conference on the limitations of arms and to a preliminary conference on the Pacific question. Because the self-governing dominions, - Canada, Australia, New Zealand, and India, were vitally affected by the Pacific question and because their representatives were all there at the conference of premiers ready to do business, they wanted to have ^{the Pacific} ~~that~~ conference in London about the middle of August. Hayashi expressed an ardent wish that the Japanese cabinet approve the conferences in principle, for he likewise thought there were to be two,

London-Tokyo No. 842.

(apart)

July 11, 1921.

London-Washington No. 236.

July 11, 1921.

This afternoon, the eleventh, I was again asked to call by the foreign minister, and I had an interview with him at 4 o'clock.

After explaining that the matter had come up today (?) in the meeting of the representatives of the self-governing dominions, Lord Curzon said that although no answer had been received from the Japanese government, I had expressed the opinion that there would be no objection in principle, and the Chinese government [Ed. Note. Possibly, also] had expressed its entire assent to the American proposal. This Pacific conference was a matter deeply affecting the self-governing dominions, and their representatives hoped that it might convene at London during their presence there. They could hardly remain at London beyond the first part of September and they had proposed that the conference convene about the middle of August. This proposal was to be made to the American government and it was hoped that the approval of the Japanese government might also be secured.

The British proposal had been for a solution of the disarmament question, but the American proposal had included much which did not have anything to do with the Pacific. It was His Lordship's individual opinion that it was better to have a merely Pacific conference, and he had in mind to negotiate with America in this sense.

I replied that I hoped that the Japanese government would quickly approve the conference. In regard to the proposal for [Ed. note. Possibly, holding a] Pacific conference, and the proposal of the American government, each proposal would be answered after consideration.

From the successive developments, I feel that delaying your decision may result in changing the situation to our disadvantage, and I earnestly hope that a cabinet council will quickly decide to approve the conference in principle.

(space)

America had decided that if there was to be any discussion of Pacific questions and if she ^{was} ~~was~~ to sponsor or even attend, everything might as well be done at once, - a pot-pourri would do. That this decision to combine the two was made hastily and without much forethought as to consequences we gather from a message of the minister of foreign affairs to London and Washington.

Evidently the invitation to the arms conference was sent late ^{Saturday} ~~the~~ night of July 9 and the cable about the Pacific angle was sent later the same night or early the next morning. The second was delayed in transmission, for it arrived in Tokyo when Edward Bell, the American charged ^{with} ~~of~~ affairs was on the point of leaving for the Japanese foreign office. July 11.

(space)

Tokyo-Washington No. 281,

July 12, 1921.

The American chargé d'affaires called on the minister of foreign affairs on July 11. He stated verbally the memorandum given in accompanying cablegram No. 282, which was based on instructions received from his home government.

In this, the part relating to the reduction of armament was one cable of instructions. The chargé d'affaires explained that when he was on the point of interviewing the minister of foreign affairs, he had received the second cable instructions relative to the questions of the Pacific and the Far East.

The minister asked whether or not the reduction of armament, in instructions No. 1, included the army.

The chargé d'affaires replied that, although it was not expressly so stated, he thought it did.

Then the minister asked; if there were free discussion regardless of whether the question of reduction of armament had to do with the questions of the Pacific and the Far East, would the result not be a discussion of all Far Eastern questions, without so much as touching upon the Pacific question?

The chargé d'affaires said that, as he understood it, the idea was that the Pacific question was included within the whole question of the Far East.

When asked about the treatment of such questions as that of immigration, he said that although he could not determine whether the immigration question might be looked upon as not a Pacific question, if the minister so desired, he would address an inquiry to his home government.

Hereupon the minister of foreign affairs said that he thought the Japanese government would willingly consent to the experiment of a conference for reduction of armament. However, after decision was made in the matter, by the cabinet, a definite reply would be given. Also it

was necessary first of all to have the scope of all the questions, from that of the Pacific to that of the Far East, made plain. Therefore he wished to have America's idea with regard to these made plain. In view of the importance of the matter, he wished to receive a copy of the instructions from the American government in order to avoid possible misunderstanding^{ing}. After examining this copy, he would request that an inquiry be addressed the American Government on the doubtful points.

~~Uchida gave the above in all his reports. He was requested~~
The charge d' affaires appreciated the above motive, and took his leave. He at once had presented a copy of the memorandum similar to the accompanying cablegram.

(apaca)
Uchida notified the cabinet and the diplomatic advisory council of Bell's visit

and intimated, basing his statements on Bell's account and on Shidehara's reference solely to limitation of armaments, that the American government had chosen to annex as their own and amend the British idea for a Pacific conference, as suggested to Hayashi, by omitting South America and adding Italy. (cont.) (For the text of his report of this visit and the results, No 283, July 13, 1921, see *ibid.*, Page 285.)

The immigration question, whether Japanese settlers should be granted the right of admission, was a sore one in both Australia and California. The American state had not long ago passed a rigid exclusion law which the Japanese considered an affront to their honor, because they had been, they said, living up to the Takahira-Roosevelt "gentlemen's agreement" according to which they had been granting passports to America only to students and travellers and had been forbidding them to coolies and permanent settlers. Nevertheless

too many Japanese coolies who had gone to the Philippines and Hawaii had managed to get smuggled into America and too many Japanese women married by proxy were entering the country as "picture brides." By mutual agreement it was omitted from the agenda wonderful to say.

Japanese opinion had been whipped up in favor of armament reduction by Yukio Ozaki, former minister of justice and former party leader, and civil and religious organizations had been demanding for some time that something be done about it. Therefore Uchida could answer that part of the invitation readily enough. But to participate in a conference on Pacific and Far East questions was a horse of another color. The scope of the questions must be known, pondered over and discussed before a definite reply to that side could be given.

America, we see, was to insist on holding her own joint conference in her own way despite suggestions and objections from Japan and England. Japan wished a preliminary discussion of agenda to which Hughes consented at the instigation of Shidehara. He had not prepared a detailed program of business in advance because of the sudden decision to add the Pacific and Far Eastern questions to the original plan.

Premier Takashi Hara, who was the guiding spirit in the Japanese foreign policy outside the foreign office, and the cabinet preferred to limit the Far East and Pacific problems to generalities,--such as, the territorial integrity of china, the open door, and equal commercial opportunities,--and to exclude accomplished facts and questions concerning

merely China and Japan. The American ambassador, Edward Bell acting for Roland Morris, ^{to} was told as much July 13 via memorandum for his government.

Uchida instructed Shidehara to see Hughes and enlarge upon and explain the same. Tokyo feared that such a Pacific conference would give rise to a possibility of her policy towards China and Siberia being definitely checked and preferred to hang back temporarily until the real attitude of the American government was known. ^(Ext. note) (For texts of these messages from Uchida to Shidehara, Nos. 286, 287, 289, July 13, 1921. see *ibid.*, Pages 287-289.)

He called on Hughes the afternoon of July 14 and had a lengthy, interesting and satisfactory interview. Practical-minded Shidehara served to bring Hughes down out of the clouds by hinting mildly that nothing less than a permanent session of the powers could clear up all the questions pending between China and Japan and those likely to arise, and that if he wished the conference to be a success, he'd better limit it to a few things that could be accomplished in the month or so they got together. Hughes revealed that he was more liable to be controlled by public opinion than to seek to act fearlessly and then try to justify himself. Though he hesitatingly admitted that questions not touching the general interests of the powers were to be omitted, he reserved the right to decide those questions himself, considering Shantung and Yap, if they were not settled previously, among those of general interest.

By the time Shidehara had finished naming possible time-consuming questions that

might offend the sensibilities of certain governments,- such as, the withdrawal of extra-territoriality, the customs tax, the salt tax, the consistent recognition of the sovereign rights of China, Hughes was ready to admit that there was no objection to a previous exchange of opinion to determine agenda before the conference.

(space)

Washington-Tokyo No. 398.

July 15, 1921.

Your cablegram No. 287 was received on the morning of the fourteenth. As it happened to be the regular diplomatic reception day of the Secretary of State, I did not wait for the decoding of your cablegram No. 288, but immediately took the matter up with the secretary, asking him first whether he had already received the reply of the Japanese government.

The secretary replied that a cablegram from the chargé d'affaires at Tokyo had arrived the evening before, and that morning in his interview with the press correspondents he had told them in response to their inquiries that the Japanese government had answered that it would accept an invitation to a conference on the question of the reduction of armaments, but that it had not yet expressed willingness to discuss the Far Eastern and Pacific questions, nor had it definitely expressed unwillingness.

The secretary said, with the appearance of being put out, that of course the Japanese government was free to give any answer it pleased to the American proposal and there was no reason for America to [Ed. note. Possibly, await] the consent of Japan, but he lamented the fact that the publication of the wording of the Japanese reply in the form in which it was received would produce a bad impression on American public opinion.

I said that a cablegram giving the wording of the answer of the Japanese government had reached the embassy, but that its decoding had not yet been finished, and I asked what was said in the cablegram which the state department had received.

The secretary took a copy of the cablegram which had been in [Ed. note. Possibly, his desk] and read it aloud.

I said that this answer of the Japanese government was short, but it was not hard to grasp its real meaning. The phrase Far Eastern and Pacific questions included innumerable matters. If Chinese-Japanese relations were taken as an example, not only would it be a material impossibility for the powers in the council chamber to attempt an entire solution of the questions at issue between those two countries, which as a result of the geographical propinquity of the countries were incomparably more numerous and complex than Chinese-American questions, but even if all the questions pending at present were cleared up, what could be done about the new questions which would continually develop in the future?

The purposes which America aspired to attain were based on lofty ideals, but to effect them in a thorough way would require the establishment of a practically permanent conference, and it was to be feared that the end would be in disappointment if it were planned to try and attain the object by a conference of a few weeks.

Once the Japanese government consented to participate in the conference, it would with strong determination look to the success of the conference. It would be an irresponsible step to go ahead and accept the invitation of the conference heedlessly. If the conference should prove a failure, the relations between the powers would be left in a more unsatisfactory state than they were today. The ascertaining by the Japanese government first of all of the character and scope of the questions to be discussed was based on a sincere desire to forward the ultimate success of the conference. I believed this natural in a government which seriously realized its responsibility toward the peace of the Far East.

Hughes pondered this, and softening somewhat (?) said that he well understood this opinion of mine, but despite the fact that the allies had acceded to the American proposal without any reservations or conditions, Japan alone had

situation, had to judge the temper of popular sentiment in the country and what impression would be made upon the general public. The same was true of me. At present, hand in hand with the varying changes in the situation, all kinds of international questions lay before the world, but there was a marked tendency to settle them one by one through understanding and co-operation in order to maintain peace. He feared it would be difficult to receive sympathetic recognition from the public toward limiting beforehand the subjects to be discussed at the meeting and toward excluding certain subjects. Therefore, if it should be necessary to limit the subjects of discussion, it would rather be advisable to work for discussion of this at the time of the meeting and to make decision then.

I asked whether the questions which the American government considered necessary of solution by the so-called joint council and collaboration of the world in general, pertained to general principles and policy jointly interesting the powers, or whether it really included specific and concrete points pending as questions between some only of the countries attending the conference.

Hughes replied that although the main object of the conference was to establish the above general principles and policy, it would be necessary in questions relating to the actual application of these, to work also for the solution in this conference of matters of international concern. To go no further than an enunciation of vague principles was better than nothing, but would be of little use in attaining the ideal of elimination of all causes of unrest. This was a matter for all the powers, but the principle countries concerned were Japan, England, and America. France was affected in that she possessed Indo-China, and, if France were not made to attend the conference, her feelings would be piqued, and an invitation had therefore been extended to her also. Italy had almost no interests involved in the Far Eastern and Pacific questions, but she was added to the list of attending countries from the stand-

point that it was not right to leave out her alone from among the five Powers.

Then I said, if that were the case, were questions not touching the so-called general interests of the powers to be eliminated?

After slight hesitation, Hughes replied that that was so, but it was difficult to differentiate as to whether concrete questions did or did not affect the Powers.

I then said I would bring up several examples and ask his opinion. First, would anything like the Shangtung question be discussed?

Hughes replied that it would be very useful for dispelling popular suspicion if the Japanese government would make this conference the occasion to make a complete and detailed announcement of her policy regarding the disposition of the Shangtung question, because, although the Japanese government had before officially announced and published this, there were not a few among people in general who were doubtful of the real intention of that government.

Next I asked: How would it be with regard to the immigration question?

The secretary of state avoided speaking directly of this. He replied that, in any case, domestic questions might happen to become matters for diplomatic negotiation, but they were not suitable subjects for discussion in a conference of the powers, hinting that he considered the immigration question a domestic one.

In reply to my question about Yap, Hughes replied that the other proposed settlement brought forward the other day was under careful investigation now, and he would in any case in a few days have an exchange of opinion with me regarding it. If the question could not

be settled before the conference met, it should come up for discussion at the conference.

I then went on to say: Was the American government prepared to have discussed in the conference the withdrawal of extraterritoriality so long desired by the Chinese people? Again, there was the question of the customs tax and the salt tax, both much discussed in China, which in former years came under the jurisdiction of the British, and the question whether this was a matter for their jurisdiction or affected the sovereign rights of China. It might be that Great Britain would not like to discuss this question, but perhaps discussion would come up regarding the application of the fundamental principle of consistently recognizing the sovereign rights of China; would the American government welcome a discussion of this kind regardless of British opinion? There were many of these questions, and the discussion of any one question might require a long time. Also, there would be not a few matters that would wound the sensibilities of the various countries concerned. Would it be a wise step to put no restriction at this time on the matters to be discussed at the conference and to attend the conference heedlessly, when the success of the conference concerned the peace of the world?

Hughes, after nodding to every point I made, was silent for a while without replying. Finally he declared that as far as he himself was concerned there was no objection to a previous exchange of opinion among the powers, before the conference should be held, in order to determine the agenda.

Lastly, I asked the secretary of state whether in summing up my conversation with him that day, there would be any objection to my noting the following three points as the salient ones in regard to the Far Eastern and Pacific questions: —

~~2.~~ The main object of the conference is ^{to} to achieve a common understanding regarding the above-mentioned fundamental principles and policies;

2. In regard to the application of these general fundamental principles and policies, to achieve in this conference a common understanding only on questions which are of such character as to exert an influence upon the interests of all the powers in general;

3. To arrange the agenda before the convening of the conference.

Hughes confirmed this.

We had already spent an hour in conversation, not realizing the fact because the Secretary was deep in thought while answering my questions. There were many other foreign diplomatic representatives waiting for an interview, mine therefore came to an end at this point.

(apace)
While the world was waiting for Japan's acceptance to the Pacific conference, just

what was England thinking? Ambassadors frequently are accused of favoring the countries in which they are stationed. Perhaps that is one of the reasons they are shifted so frequently. Richard Washburn Child has been said to be quite Italianised and Harvey was known as an Anglophile. The Japanese are equally human. From the messages that follow we ^{see} ~~see~~ Shidehara championing the American cause at Washington and Hayashi showing partiality to the British view of matters, - with each interpreting the instructions from Tokyo according to his personal preferences.

To return to the London end of it: Hayashi notified his government July ^{4?} of Curzon's idea for a Pacific conference sponsored by America to which China, France and the South American countries would be invited. Tokyo must have shown immediate

interest in British ideas of agenda for such a meeting, for four days later Hayashi replies that apparently Curzon is as hazy as Hughes turned out to be, but whatever the program Japan should hasten to assent.

London-Tokyo No. 831. ^(space)

July 7?, 1921.

London-Washington No. 230 (?)

July 9, 1921.

~~Very confidential.~~

(Note . Text badly garbled throughout).

Referring to your cablegram No. 419, of course it is my intention, in case opportunity offers, to inquire into the views of the British government in regard to the subjects to be discussed by the conference, but from the impression I have had in previous interviews with Lord Curzon, even he cannot form a trustworthy definite opinion as to what will be discussed by the conference (I do not even know what idea he has in his head as to the form to be taken by the discussion of the navy question). In any event I think that it will probably be [ED. Note Possibly, best] to have a definite idea of what will be discussed by this conference. It may be thought that all the Pacific powers or powers having an interest in any place in the Pacific may submit questions of interest to them, but in any case there is room for mistake.

It must be assumed, however, that the matters which will affect the interest of Japan are, first, the navy question, and second, the Chinese question. The former must necessarily be discussed. In regard to the latter, if there is no intention for Japan to change its established policies, I see no necessity for Japan to worry about any results which do not reach that point, and I therefore think that there is no reason for Japan refusing to participate in this conference. As things stand

today, if Japan hesitates while America, China, etc. express their assent, and if when the conference becomes inevitable we finally agree to participate, the position of Japan will become worse and worse. If we propose a delay ⁱⁿ order to afford the government time to study its position with care, or because we do not like a conference at the present conjuncture, we may merely bring useless embarrassment on ourselves and may not succeed. The principle of the conference is to work for the permanent peace of the world, and a postponement of the conference to suit the convenience of Japan would naturally make a bad impression, and I think that it would be contrary to our interests. Under the circumstances of today, I think it urgently necessary for Japan to express its assent in principle.

(space)

After the invitations were announced to the world on America's initiative in the international disarmament and the Pacific conference, Hayashi sent two telegrams urging the home office to action, messages showing he was quick to respond to the importance of Japan's standing in the eyes of the world. He is earnest and eager for Japan to seize this opportunity to get in step with the world and abandon the old, out-worn, national foreign policy, a policy of greedy, imperialistic, militaristic self-interest at the expense of China.

(space)

London-Tokyo No. 846.

13.3
July 13, 1921.

London-Washington No. 313.

July 13, 1921.

I presume that the American invitation to a conference on reduction of armaments and the British proposal for a Pacific conference are now receiving your careful consideration. Nevertheless, as I have repeatedly cabled, the delay in our answer is occasioning mischievous suspicions.

If we respond to European and American public opinion, and quickly display the magnanimity of Japan, a great influence on our future national destiny will be produced. I am convinced that the urgent duty of the moment is to assure that this meeting goes forward in the way which is hoped.

Of course the itemized program and the methods of discussion, etc., will not be overlooked, but, when we have decided to participate in the conference, we may hope to learn these things. But so far as concerns the present day, we wish to assure the organization of the conference, and I think it better policy for us to lose no time in expressing our assent to the principle of the conference and then immediately take up our views as to the agenda.

It need not be said that the chief thing on the program of the Pacific conference will be the China question, and, no matter what is the attitude of Japan, this conference will mark a turning point in our relations with China. For one thing, in order to make clear our attitude in the question, which has long aroused your consideration, of the withdrawal of garrison forces from China and [Ed. Note. Possibly, the restoration of Shantung], a beginning of course has already been made. ^① it will become a matter of necessity to prepare quickly to weaken the impetuosity of the Chinese delegates in the conference. It is a matter of extreme urgency that there be no mistake made in this.

(5)

Instead, other issues causing "anxiety" "unrest" in Pacific should also be addressed. + a matter "for all the powers" with concerns in the Pacific, etc. France. "France was affected in that she possessed Indo-China, and, if France not made to attend the conference, her feelings would be injured."

[Underlined as here & later] [Paraphrase] Japanese Ambassadors ^{remained for Hughes & Hughes to him} Italy should also be included as a matter of principle even though Italy had no involved interests in Pacific. 33-34.

Hughes made specifically clear that the Shantung question should be resolved. And Hughes would soon make clear his intentions re. Jap. He thought that if Jap could not be resolved sooner, then it should be an item on the agenda for conf. 34-5.

There came a great public anticipation about whether Japan would attend a conf. The other Powers made clear their readiness. 36.

The two big issues that Japan was determined about were "the navy question" and "the Chinese question."

Said Jap. Ambass to U.S. (p. 37. - B. Q.)

But Japan has best decide immediately attend conf. or Japan will "bring useless embarrassment on ourselves..." B. Q. ^{Japan's Ambass in London to hand} 38.

Of course anxious care must be paid also to public opinion within Japan, but, once the decision is made, the reason of the necessity for co-operating with the powers in the interests of the general situation must earnestly be supported. It will be a matter of anxiety to raise the whole Empire to unanimity for the establishment of a new national foreign policy corresponding to the general trend of the world, but this must be hoped for.

I am intolerably worried for fear that there may be something which will foster the spirit of distrust among the other powers, and at home excite the spirit of dislike of foreigners, and thus causelessly increase the complications of the situation. I am convinced, however, that you will speedily decide to participate in the holding of the conference, and I respectfully repeat my former recommendations.

space) —————
London - Tokyo No. 851.
London - Washington No. 247.

I received your cablegram No. 435 this morning and note your instructions. The accompanying cablegram should arrive at any moment. I shall call on Lord Curzon as soon as possible.

You are well acquainted with the developments of the situation from my various reports, newspaper cablegrams, etc. The British are still expecting our consent to participate and are awaiting in a friendly spirit the arrival of our answer, but, after a reasonable number of days have elapsed allowing for the great distance, if no announcement of our purpose is made, all sorts of conjectures and speculation will be aroused and a very undesirable situation will result. I hope to see you decide the matter of principle in accordance with the recommendations in my cablegram No. 831.

As soon as I have talked with Curzon I shall cable you, but I hope that you will consider my various cablegrams beginning with No. 825 and will quickly make a final decision.

The same day Tokyo signified to Hayashi its willingness to discuss arms limitations, but reiterated the refusal to consider accomplished facts or questions pending solely between two countries. Moreover, Uchida implied that England and America had already come to an understanding on the agenda and he suspected that this was a move on the part of the British to produce a new situation that would automatically solve the troublesome revision of the Anglo-Japanese alliance by abolishing it and resented the inclusion of China in the conference without first consulting Japan. ^(Ft. mt.) (For the text of this message, No. 436, July 15, 1921, see *ibid.*, Pages 291 - 293.)

Count Kikujiro Ishii, at Paris, likewise thought it unfriendly of ^{their} ally to invite China and America without first discovering the attitude of Japan. He was rather skeptical at the sincerity of any disarmament conference attended by China, Australia, and Canada. Like Hayashi he thought the wave of enthusiasm for disarmament would be an excellent opportunity to do away with the militaristic meddling in the home government and forecast the French friendship which was to stand them in such good stead during the discussion on land armament.

(space)
Paris-Tokyo No. 1050.

July 11[?] 1921

Paris-Washington No. 233.

July 11, 1921.

~~Very confidential.~~

With reference to the so-called Pacific conference, it does not seem to have been friendly conduct for the British government without knowing our attitude to invite America and even China. At any rate this matter has

now become a world question, and, besides keeping you constantly acquainted with French public opinion, it is my duty to submit various suggestions of my own.

Until we have heard what subjects are to be discussed in the proposed Pacific conference, it is impossible to decide whether or not to participate. If we were to decide to participate without having investigated the fundamental principle of the conference, we could hardly hope to avoid getting into a fearful fix.

1. If the reduction of armaments were the principal object of the conference, there would be reason for calling the conference and reason for participating in it, but it does not appear that a conference in which China, Australia and Canada are to participate will seriously discuss disarmament.

2. Aside from the disarmament question, the questions which are likely to come up for discussion are (A) the China question, and (B) the labor immigration question. In regard to (A) we should be entirely isolated in the conference, and in regard to (B)

With regard to the Pacific and China questions, Anglo-Japanese relations fall within the express wording of the Treaty of Alliance, and, as far as concerns Japan and America, these questions must be exhausted by the Takahira-Root agreement and Ishii-Lansing agreement, and the purpose of a sudden reopening of the discussion of them can be considered only as an overthrow of the status quo. In case Japan should participate in the conference and should go to the utmost in advocating the maintenance of the status quo, the conference would end unsuccessfully. The blame for this, at least in universal opinion, would be on Japan.

It follows that, before we enter the conference, we should carefully assure ourselves of the nature of the matters to be discussed and of the

means by which agreements are to be reached. If this should result in more or less delay in convening the conference or in a failure to have a conference, this might be comparatively much less important. If on the other hand the China question should come up in the order of business of the conference, and we should be worsted in the match with China and America (Note. The foregoing very doubtful translation), our national feeling might be excited and it is not certain that we could avoid regrettable results.

3. If with great difficulty we finish the question of whether or not to participate in the conference, there is a crisis. The Japanese government will then need great resolution. If I ~~am~~^{any} offer my humble opinion, we should use the general welcome which will greet a reduction of armaments and in a single day do away with the militaristic element in our foreign policy, and should proceed resolutely toIf we should then further meet the wishes of the conference and proceed to propose to the conference the withdrawal of extra~~territoriality~~ in China and the withdrawal of garrison troops from Peking: first, the participating powers would [Ed. Note. Possibly, have to respect China's right to self-government] (~~Note. For long time past, we have been in the Far East;~~ in the Far East; second, an enlightened policy corresponding to the changed situation after the war would control everywhere in the world; third, we should avoid attacks for having weakly yielded to the pressure of the powers in the China question and should escape a domestic explosion.

4. In a conference in which China, Australia, etc., participate, Indo-China should also be admitted. To make an exception of the possessing country, France, would not be natural, and, if France is finally admitted, it does not appear that the attitude of France would be to our disadvantage (compare my cablegram No. 1049). It would seem to be rather the better policy for us to favor French Participation.

5. If a cabinet council should happily come to the decision advocated Under no. 3 above, it should at that time accept the principle of holding a Pacific conference, and should arrange to have preliminary negotiations as to an understanding of the nature of the agenda.

(space)

When Hayashi quizzed Lord Curzon on the fourteenth about agenda, he replied that he had none. Since it was America's conference, it was necessary to wait to see what was up. No matter what happened, though, Japan and Britain were to stick together.

(space)

London-Tokyo No. 852.

July 14, 1921.

London-Washington No. 318.

July 15, 1921.

~~Very secret~~

I called on Lord Curzon the afternoon of the fourteenth, and explained to him the substance of your cablegram No. 435, saying:

I was under instructions from my Government to speak confidentially with His Lordship regarding the policy which he would follow in the deliberations at the Pacific conference. As I interpreted these instructions, my government was agreeable if discussion of Far Eastern questions was limited to such principles as that of the open door and equal opportunity; but it could by no means subscribe to discussion of questions already settled by treaty and agreement, as well as of such questions as the Shangtung question, upon which Japan had already [Ed. note. Possibly, begun negotiating] but concerning which China would not [Ed. note. Possible, consent to talk] and did not want direct negotiations. Also if questions introduced by China were discussed, such as that of extraterritoriality, all sorts of complexities would arise, and the conference intended to induce the peace of the Far East would rather, it was feared, create disturbance in the state of affairs.

Therefore to understand the scope of the discussions, it was hoped, if His Lordship did not mind, to hear from him confidentially in order that it might come under the consideration of the Japanese authorities, as much as possible of the views of the British government as to the subjects that government hoped would be discussed.

Curzon in reply said he had not yet received America's reply to the proposal that the first meeting be held in London; but he thought it right that the conference should be in America since America was the prime mover. Therefore in anything like a classification of matters to be discussed at the Pacific Conference, the idea was to await a proposal from the American Government and to pursue a course in accordance with that decision. Consequently there was no program (?). His own opinion was the ~~the~~ present condition of affairs in China would not permit her to bring up any arbitrary aspirations, nor would any meddling with the peace treaty be countenanced; but, any universally discussed question like that of Shangtung could not, he thought, be entirely omitted from the discussions. Also regardless of whether such questions as leased territory and Weihaiwei were deliberated on, the idea was to maintain always the close touch between Japan and Great Britain. However, he said Great Britain had as yet no outline of the subjects to be discussed.

Then, referring to the report that the Canadian premier was shortly to return home, I asked whether, in case it was decided to hold a meeting the middle of August as Lord Curzon wished, this premier would then be in London.

Curzon replied that if necessity demanded, the Premier intended to come to England; but America's reply to the proposition that the conference meet in London had not yet come.

Curzon again and ^(space) again implored Hayashi to have his government inform England of its

plans before answering America, before deciding on the agenda and before the opening of the conference. Japan and England repeatedly stressed the necessity of close cooperation

with each other, July 21, ^{21,} 23, 30, August 5 and 12. ^(Et. nt.) (For the text of these messages,

No. 872, 874, 884, 464, and 358, 916 see ibid., Pages 293-300, and 303.)

Curzon wanted the conference in London, because of the presence of the dominion premiers. Tokyo was willing, provided America had no objection and provided there was some way of determining before hand the nature and scope of the subjects to be discussed. Until this was ascertained Uchida preferred to be non-committal.

(space)
Tokyo-London No. 439.

July ¹⁵ 1, 1921.

London-Washington No. 323.

July 16, 1921.

~~(Not to be published by any means)~~

Referring to your cablegrams Nos. 840 and 842, we do not wish to make a hasty statement as to whether the date of the conference should be regulated to suit the convenience of the colonial premiers. This may not be desirable, but we leave it aside for the present. There are two points now to be determined with regard to holding the Pacific conference at London in the middle of August; first, does America have any objection to the wishes of the British; and second, until we have definite information of the nature and scope of the subjects for discussion by the conference, as mentioned in earlier cablegrams, we must be cautious about announcing our final attitude about participating in the conference.

When these two points have been cleared up, we can decide. You will explain the foregoing urgently to Lord Curzon, and ascertain and cable his views on these two points.

(space)
Japan has frequently shown her intentions to work for the establishment of the yellow

races on terms of equality with the white, - she has consistently taken the leadership to ex-

tend the privileges of western civilization which she has learned to enjoy to benighted China who is still largely ^mh_Apered by the customs of medievalism. Even when it might be economically ^csagacious to be lethargic about extraterritoriality, equality of opportunity, the open door, the increase of tariff rates, she considered it politically important to take the initiative.

(space)
Tokyo-London No. 446.

July 1, 1921.

London-Washington No. 326.

July 20, 1921.

(Note. Translation delayed by new JP code.)

In your cablegram No. 852 you report that Lord Curzon expressed the opinion that the raising of the question of the abolition of extraterritoriality would involve all sorts of difficulties and would complicate the situation.

That we would for our part not decline to give favorable consideration in principle to the earnest wish of the Chinese people for the abolition of extraterritoriality was already announced by our delegates at the time of the Paris premiers' conference. You already know from our successive cablegrams that we have no objection to the discussion of general questions of principle such as the territorial integrity of China, equality of opportunities and the open door. Furthermore, with reference to the restoration of the customs administration and the right of raising tariff rates, it will be politic for us to take the lead in bringing these questions up.

When you have an opportunity, please explain the foregoing to Lord Curzon, and make clear in a proper way the necessity of not giving the impression that we are opposed to the abolition of extraterritoriality.

A good sound reason for Tokyo's nobility in sponsoring the open door in China is naively revealed in a cable from Ambassador Ishii in Paris. He reminds his government that as long as America talks about the open door and equal opportunities in China, Japan has nothing to worry about interference in ~~their~~ economic activities. Penetrating Ishii foresees that the doctrine of spheres of influence is really a hamper to the expansion of Japanese economic interests in Manchuria and China and that, provided all the powers agree to abolish them, Japan, being much nearer to the potential sources of raw materials and potential markets for manufactures, could, through the favorable offer of Japanese capital and through the underbidding of competitors, bite into other foreign investment and trade and gradually increase her unrecognized monopoly rather than lose out under the lapse of the protective doctrine.

Under the open door, or the doctrine whereby the markets of China are indiscriminately free to the trade of all comers, the sharpest, liveliest bargainer makes the most profit. Ishii modestly suspects that the Yankees of the Orient will not discredit their western tutors. And hence, more power to the open door! ^(Ft. nt.) (Ishii was at Washington in 1917 to get America's recognition of Japan's special interests in Manchuria. His visit resulted in the Lansing-Ishii notes.)

(apare)
Paris-Tokyo, No. 1134.

Paris-Washington, No. 256

July 7, 1921.

July 25, 1921.

Referring to Ambassador Hayashi's cablegram No. 884 to Tokyo,
(Note: 14397), it needs no saying that among the American subjects
for discussion by the Pacific conference are the open door and equal
opportunities.

During my special mission at Washington, the abolition of spheres
of influence was frequently brought up by President Wilson, Lansing
and others. At that time I thought that this course was not disadvantageous
to us, and I cabled my humble recommendation that we should give our
consent on condition that the other Powers consented. I am still
of the same opinion. Under this proposal we would have no fear of
foreigners invading our sphere of influence, and on the other hand it
would facilitate our eating into the spheres of influence of other
nations. I think we should not hesitate if this question comes up.

At this point, when we have taken the step of inquiring into the
nature and scope of the matters to be discussed by the conference, I
think that the moment has already arrived to announce our acceptance
of the principle of the conference. Although the British Government
wishes to be secretly informed of the nature of our answer to America,
not only would it now be unreasonable for us to repeat our delay for
the sake of Great Britain, but..... unendurable.

I am convinced that it is necessary under the present circumstances
to decide on the policy recommended under heading No. 3 of my cable-
gram No. 1050. The stationing of troops in a foreign country
spontaneous opposition disadvantageous and harmful.....
needs no saying. Although it is not in the agenda proposed by
America, it will be brought up in the conference by China.

I repeat my humble recommendations.

The preliminary exchanges over as to differences in plans for Cock Robin's funeral, Curzon and Hughes settled down to the prolonged sparring as to whether there should be a preliminary conference on agenda. On the sidelines Hayashi was rooting for Old England, Shidehara cheered Miss America and Uchida acted as impartial referee until Miss America's persistence led him to recognize a completed victory. Whereupon Curzon figuratively took his doll rags and went home to sulk.

71

Part I.

Origins of the Washington Conference.

Chapter 3.

Shall There Be Two Wakes?

Wife
The situation to date, as the Japanese saw it, was briefly summarized in circular letter No. 209 sent from Tokyo.

Tokyo-Washington, Circular No. 209

July ?, 1921.

Washington-The Hague, No. 1.

July 22, 1921.

~~Very confidential.~~

(Note. Text is perhaps thirty percent garbled.)

1. As a result of the joint communication sent to the League of Nations by Great Britain and Japan, it became necessary to take further action. Although the alliance will remain in force until such action is taken, the British minister of foreign affairs told Ambassador Hayashi that, in view of not a little opposition which existed in China and America, he thought it desirable to have a Pacific conference late this year or at the beginning of next year among Great Britain, America and Japan and possibly China. He hoped that this conference should include representatives of the British dominions and of France and the South American countries in case the latter wished to participate.

The British minister of foreign affairs had inquired the views of the Chinese minister and the latter had declared his approval. Lord Curzon had also had an interview with the American ambassador and had suggested to him that it would be proper to have the conference in America. The American ambassador had replied that he would transmit this suggestion to his government which he thought would probably accept it.

2. On July 11 the American government through the American charge d'affaires at Tokyo addressed to the Japanese government an informal inquiry as to whether the latter would participate in a conference on the limitation of armaments and on Far Eastern and Pacific questions. ^{to be held at Washington} On July 13 the Japanese government sent a reply and at the same time instructed Ambassador Shidehara to seek an interview with the secretary of state and say that the Japanese government wished an unreserved statement of the views of the American and British governments on the nature and scope of the Far Eastern and Pacific questions. Similar instructions were given to Ambassador Hayashi.

3. In view of the great interest which the British overseas self-governing dominions have in the Pacific conference, the British foreign minister asked the assent of Ambassador Hayashi to holding the Pacific conference at London in the middle of August while the representatives of the dominions were in London. We sent Ambassador Hayashi a cable first enquiring whether America approved this and second, explaining that it was hard for us to declare our position until we were acquainted with the nature and scope of the agenda of the conference. According to later cablegrams from Ambassador Hayashi, no answer has yet been received from America to the British proposal for holding the conference at London and the American government apparently does not desire that the conference should be held there.

4. As a result of conversations between the ambassadors and the authorities of the governments to which they are accredited, it appears that the British minister of foreign affairs in matters such as the agenda of the conference is awaiting the initiative of America which is in charge of the conference and that, although he hopes for progress in making the decision, he has no definite plan. The American secretary of

state has stated as his personal opinions:

1. That the principal purpose of the conference will be to achieve a common understanding regarding general fundamental principles and policies;

2. In regard to the application of these general fundamental principles and policies, the conference will aim to achieve a common understanding only on questions which are of such character as to exert an influence upon the interests of all the powers in general;

3. The agenda of the conference should be arranged prior to the meeting of the conference.

5. The Belgian ambassador at Paris told the [Ed. note. Possibly, English or Japanese] ambassador that Belgium wished to take part in the conference and it is said that Holland also has expressed to America a wish to take part.

(space)

Lord Curzon wanted two conferences and wanted them held separately at different times and different places. There must be a preliminary conference in London, he argued, if only to discuss the agenda. He wanted to sound out other countries interested in preserving the peace in the Pacific on an agreement as to a larger alliance to replace that between Japan and England. Moreover, he did not like the agenda which America had hastily drawn up when Japan asked for facts.

(space)

London-Tokyo, No. 877.

July ?, 1921.

London-Washington, No. 330

July 22, 1921.

With regard to my cablegram No. 874, although Great

Britain is very desirous of having the Pacific conference held at London and Lord Curzon hopes to have confidential report made in advance regarding the reply of the Japanese government to America, I think this originates in the fear that because our government did not make special reference to London, Japan too will come to approve the holding of the conference at Washington.

I think it would be well to add to our statement to the American government words to the effect that, as far as only the place of holding the conference is concerned, there is no objection to either the British or the American metropolis whichever one results from the discussion taking place between Great Britain and America.

(space)

Ambassador Harvey, one notes in the following message, though he had no official reason to do so, encouraged Curzon to expect that America would grant his wish for a preliminary confab in London.

Hayashi wished to be perfectly neutral in this respect, we saw above, - if it couldn't be decided in favor of England.

(space)

London-Tokyo, No. 884.

July 23, 1921.

London-Washington, No. 333.

July 23, 1921.

~~Very confidential.~~

Referring to my cablegram No. 882, at the unexpected request of Lord Curzon I had an interview with him at noon on the twenty-third.

His Lordship said that on the twenty-first the American ambassador had told him confidentially and unofficially that the holding of the conference at London required time for consideration. At the same time he had informed him confidentially

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t
of the subjects for discussion by the conference, namely: the open door in China, equal commercial opportunities, territorial integrity, the abolition of the spheres of influence, the retrocession of Shantung and Siberian matters. He had further indicated the intention of settling the Yap mandate question and the cable question through ordinary diplomatic procedure prior to the opening of the conference (Lord Curzon added that if these questions were not settled through diplomatic procedure, it was apparently the intention to bring them up in the conference.). The ambassador also said that America was considering the desirability of inviting Belgium, Portugal and Holland to the conference.

This desire of the American government to submit to the conference only Chinese problems and the somewhat analogous Russian problems was unexpected on the part of the British government. The principal aim and purpose of the British government in holding the Pacific conference had been the wish to conclude among the powers having important positions in the Pacific ocean agreements parallel to the Anglo-Japanese alliance in the spirit of assuring peace for the future. Looking at the American proposals, it might almost^s be said that they concerned Chinese questions alone (Note. This sentence very doubtful.).

From the nature of these questions, however, they could scarcely be settled in four or five weeks discussion. His Lordship said with an air of extreme vexation that he himself would naturally attend the conference, but it appeared that, after the above-mentioned several weeks of discussion, several weeks more would be required by the conference on the limitation of armaments and he must say that so long an official trip would be totally impossible.

His Lordship then said that in this posture of affairs, the British government must be informed of the substance of the Japanese reply before Japan replied to America. There were press reports that Japan had decided to give an answer of unconditional acceptance and he must again bother me to lay this suggestion before the Japanese government. Great Britain had encouraged the Americans to take the initiative in issuing invitations to the conference, but she had not imagined that America would plan the agenda. In view of the above-described proposals, it must be said that America did not understand the situation. Not only would the holding of the conference at London be convenient for the premiers of the self-governing dominions, but he thought that London would be a more suitable atmosphere for the place of meeting than America. If the Japanese government gave an unconditional acceptance, this also would be of America. He earnestly repeated that he wished to request the friendly consideration of the Japanese government on this.

I promised that I would report this to Your Excellency and asked whether the foregoing American proposals for the agenda had probably been communicated also to the Japanese government. His Lordship replied that he did not know.

From the foregoing it appears that there is very little understanding between Great Britain and America in regard to the Pacific conference and a great discrepancy in their views on the agenda of the conference. Originally the British government was struck with a vague idea of the conference and endeavored with it to make a change in its Far Eastern relations. America was taken with the idea, but neither did she have any clear idea of the scope of the subjects for discussion and, after her attention has been drawn to it by Japan, she is apparently trying very hastily to

regulate the matter.

Lord Curzon says that the purpose of the Pacific conference is the wish to make peace-guaranty agreements parallel to the Anglo-Japanese alliance, but, after all, he must have invented this after the question of the scope of the discussion had been brought up. If it were true, he would have told me of it from the first. Hitherto His Lordship has not plainly described the purposes of the conference and now it is suddenly in his mouth. First and last there is a contradiction here and room for question, but, after all, if it related only to ²another's past error, I would not venture to speak of it. The position of the British government, however, is almost the same as ours and they urgently need to keep in touch with us. I invite your special consideration to this.

h In this *Q*spirit, I think that it would ~~be~~ be an opportune policy to inform Great Britain of the substance of our answer *Q* to America and to work to secure a complete understanding between Great Britain and Japan before the conference.

2) in regard to the application of these general fundamental principles and policies, the conference will aim to achieve a common understanding only on questions which are of such character as to exert an influence upon the interests of all the powers in general;

3) the agenda of the conference should be arranged prior to the meeting of the conference.

5. The Belgian ambassador at Paris told the (Ed. note. Possibly, English or Japanese) Ambassador that Belgium wished to take part in the conference, and it is said that Holland also has expressed to America a wish to take part.

(space)

On July 15 Shidehara by presentation of the necessity of eliminating troublesome questions from the agenda had won Hughes' consent to deciding the agenda previously. Hughes had admitted for his part that the main purpose was the adoption of a common understanding of fundamental principles and policies and that in achieving this purpose only those questions of common and general interest to all the Powers would be discussed. Tokyo pondered this announcement for some days and on the twenty-third revealed to Shidehara the views and desires of the cabinet.

After due consideration the cabinet agreed that far from discouraging the attempt to hold a conference on Pacific questions, Japan should seize the opportunity to do away with the misunderstanding and ill-will of the world. Rather Japan should take the initiative for altruistic accomplishment in China, partly to promote herself in the eyes of the world and partly to direct attention from accomplished facts and questions of sole concern to particular powers. To facilitate this they resolved to speed up, as far as good diplomacy

would permit, the solution of all pending questions that might prove embarrassing. The question they dreaded most, of course, was that of Shantung. To pass over this they determined to win China's good will by taking action to bring about the liberal policies announced in Paris in 1918 and to work for an alleviation of the exclusion-immigration policy if the occasion arose.

(aparc)

Tokyo-Washington No. 303.

July 23, 1921.

(Note. Translation delayed by new JP code.)

~~Very confidential~~

(The beginning is omitted. It summarized cablegram No. 852 of the Ambassador at London (Note, J-1000) and ~~also~~ cablegram No. 396 (~~Washington 1003~~).)

~~In view of these facts, although no reply to our suggestion has yet been received from the American government, it may be conjectured that the American government understands that it has already replied to the questions raised by us by the explanation made by the secretary of state during his interview with Ambassador Shidehara.~~

..... In view of the general situation it is felt that we should avoid taking an extreme attitude towards a proposal which aims at the lasting peace of the world, and should rather proceed to encourage the holding of the conference. It is felt that it is the best policy for our national welfare and our international position to take this occasion to work to eliminate misunderstanding and antipathy with regard to (Japan). Provisionally, considering therefore that the views of the American government on the questions raised by us are given in the above-mentioned remarks of the secretary of state, we should decide our attitude towards participation in the conference, and should proceed to answer, giving our views on the nature and scope of the agenda of the conference on the basis of the following policy:

1. As the secretary of state has said, an agreement on the agenda should be made at once prior to the opening of the conference.

2. In making this agreement, Japan has no objection to including in the agenda questions of general principles such as mutual respect for territory, the open door, equal opportunities, etc.; but rather it would be good policy for the general situation for Japan to proceed to bring them up. We take no exception to the view of the American secretary of state that the principal purpose of the conference is to achieve a common understanding regarding general principles and policies.

3. The Japanese government cannot easily assent to bringing up accomplished facts and questions of sole concern to particular powers and submitting them to joint discussion by the powers. Every effort must be made from the beginning to exclude these special matters from discussion by the conference. In the remarks of the secretary of state, the meaning of his statement that there should also be reached in the conference a common understanding as to the application of the general principles and policies to questions of international concern affecting the interests of the powers in general is not clear, but at least we must work for a definite understanding that accomplished facts and questions of sole concern to particular powers shall be excluded.

In order to reduce as far as possible material for defaming and censuring us, we must as far as circumstances permit arrange for a speedy solution of harmful pending questions which might be brought up in the conference. Furthermore, in proceeding with the above-described policy, we must quickly draft a schedule of questions to the discussion of which Japan has no objections, questions which it would be politic for us to proceed to bring up, and concrete questions which we wish to have excluded from discussion, and must decide the ultimate policy of the Japanese government.

The Chinese newspapers have recently been conducting an active propaganda to the effect that the Shantung question is the principal subject for discussion by the conference. For the present the Shantung question is naturally one of those to be excluded from discussion, but it is felt that there is more or less misunderstanding of this question among Americans, Chinese and others, and it is desired as soon as possible to explain the fair and liberal attitude of the Japanese government, and, at the same time as far as circumstances permit, to proceed to express it concretely and request the understanding of America and the other powers.

In regard to China we have an actual policy of peace and liberality which was unanimously approved by the diplomatic advisory council on December 8, 1918, and which was acted on by the Japanese delegates to the Council of Premiers at Paris. Four great policies were indicated: the entire abolition of extraterritoriality and of spheres of influence, the withdrawal of foreign troops from China and the renunciation of the Boxer indemnity.

It may be politic to take the coming opportunity and bring these matters up. In that case we could state the above-described liberal policies of Japan, and at the same time call for a thorough-going execution of the principles of the open door and equality of opportunity on the part of the other powers also, and particularly request the views of the powers about a mitigation of the exclusion policy of the American continent and other countries. In that case it would also be politic to adopt a policy about the participation of the principal South American countries. Then if there were a tendency to bring up questions such as that of Shantung which have a close and special interest for Japan and to submit them to the judgment of the powers, and to criticise merely the past policy of Japan alone, Japan could quickly devise a counterpolicy against this.

As to the point of which should be discussed first, the limitation of armaments of the Pacific and Far Eastern problems, it will be opportune to make an early statement that the Japanese government thinks that it will be proper for the five great powers first to agree on the limitation of armaments and then to invite the other interested powers and discuss the problems of the Pacific and the Far East. The assent of Great Britain and America to this view will be requested.

In regard to the date of the conference, in view of the importance of the conference and in order to afford time to perfect all arrangements, the original suggestion of Great Britain for late this year or next spring should be adopted.

Whatever policy is adopted, whenever there is any discussion with the American government, we shall bring to the knowledge of the British government for its confidential information the steps that the Japanese government is taking with relation to America, and shall request the co-operation of the British government.

(space)

Tokyo was a little upset over the conflicting interests of England and America as to when and where the Pacific conference should be, and cabled Hayashi for more information of the British views. Hayashi replied that England had been expecting the conference in London as an exchange of courtesy: since the British Empire graciously accepted the American invitation to attend, the Americans were expected to agree graciously to come to England at the dominion premiers' behest. The query and answer follow:

(space)
Tokyo- London, No. 453.

July 1, 1921.

London-Washington, No. 334.

July 25, 1921.

~~London-Tokyo No. 453~~

~~London-Washington No. 334~~

~~July 1, 1921~~

~~July 25, 1921~~

~~Referring to your cablegram No. 453, as in the question in the middle, etc.~~

Regarding the last part of your cablegram No. 855, part 5 of cablegram No. 408 from the ambassador at Washington to the minister of foreign affairs indicates that America is not pleased with the British proposal that the Pacific conference be held in London.

Please look into and cable me the developments in the negotiations between Great Britain and America regarding the above, as we must be thoroughly informed in order to miss no opportunities.

Also, according to your cablegram No. 845 Lloyd George, in the House of Commons on the eleventh, spoke as representative of the entire British Empire in expressing a spirit of welcome to the recent proposal from America, and he declared that the British Empire would lend all her efforts toward making it a success.

Please cable me whether since then the British government has already given final answer as to her private intention to participate, and whether in that event she has imposed any reservations or terms; also whether any understanding has been reached between Great Britain and America regarding participation in the conference by self-governing dominions.

(space)

London-Tokyo No. 887.

London-Washington No. 335.

July 35, 1921.

July 25, 1921.

(Note. Text is at least 50% garbling and omissions. Following is a rough doubtful paraphrase.)

Referring to your cablegram No. 453, *as to the question*

~~As to the question~~ whether Great Britain had answered the invitation, a reply welcoming the proposal in a general way has been made. Lord Curzon has said that he has proposed London as the place for holding the Pacific Conference and is awaiting an answer from America. He is very much surprised not to have received a reply up to the present. Having announced participation in the American Pacific conference, it was thought in exchange there would be no objection [Ed. Note. Possibly, to holding it in London]. I imagine that Great Britain did not suppose that America would view the proposal with deep resentment.

With regard to the last part, Great Britain proposed that the representatives of the self-governing dominions attend the conference while they were at London, but as no favorable answer has been received from America, it cannot be expected that there will be an agreement on this point.

(space)

Rumors are useful things in sounding out public opinion. The English are not ignorant of their proper uses. Perhaps that is why one concerning a preliminary "informal talk" in London on Pacific questions appeared in the London Times on the morning, of July 25. Hayashi went at once to see the foreign office about it. There he learned that the dominion conference actually had such a plan under consideration.

Lord Curzon thought that nothing much in the way of disarmament could be accomplished until the Pacific questions were settled. Something had to be done, then, before the American conference was called. Under-secretary Sir Eyre Crowe repeated that the main purpose of this informal talk would be a way of continuing and extending the Anglo-Japanese alliance in order to preserve the peace of the Pacific. The interview follows:

(space)

London-Tokyo, No. 889.

July 25, 1921.

London-Washington, No 337.

July 25, 1921.

On the morning of July 25, The Times had the article which I report in a separate cablegram in regard to an informal preliminary conference on the Pacific questions. I wished to soundⁿ out the views of the British government in this regard, and the same morning I had received your cablegram No. 305 to the ambassador at Washington which probably crossed my No. 874 and I thought that if by any chance your answer to the American government were not communicated to Great Britain before it was delivered, in view of the situation that would be produced after Lord Curzon's request, it was best

to display an attitude of sincere solicitude.

I therefore requested an interview with Lord Curzon, but he was very busy in connection with the Imperial Conference, and I was obliged to talk with Under-Secretary Crowe. I informed the latter of the substance of the above-mentioned cablegram No. 305 in regard to the instructions of the American ~~Chargé d' Affaires~~ at Tokyo and the progress that our government was making in the consideration of the question. I said that I judged from the form taken by our consideration of the question that there was no objection to the discussion of general fundamental principles, but that our government did not like a discussion of questions capable of being arranged between the powers concerned.

In regard to the Shantung question, etc., I thought our real position was not thoroughly understood abroad. Japan wished to carry out the restoration of the territory, but China would ~~not enter~~ into an agreement for this. At the time of the restoration there must be an agreement with China as to the status. If there were such an agreement, the restoration would be effected, but if China persisted in not wishing to negotiate, and took the attitude of ignoring the treaty of peace and demanding that an international conference settle the question, it would be quite impossible for Japan to participate in the discussion of the question.

The Yap question and the cable question came within the borders of arrangement between Japan and America. If the basis of mandates were touched upon, New Guinea would also be involved, and the Australian government would not like that to become a subject of discussion. It was contrary to reason to permit accomplished facts or questions of sole concern to particular powers to be made the subject of joint discussion by the powers.

(Note. The rest of the message from here on is considerably garbled.)

I added that Lord Curzon's proposal of last Saturday ^[July 2, 3] that he be privately informed of the answer of America would require time for discussion. ^[to]

The under secretary assented to the foregoing, and said that generally speaking the Imperial conference was deliberating on the holding of the Pacific conference in the spirit of the continuance of the Anglo-Japanese alliance. The alliance agreement must not be contrary to [Ed. Note. Possibly, the covenant of the League of Nations] and this was the origin of the decision that there should be an opportunity for an expression of views between Great Britain, Japan and America and that a Pacific conference should be held by these three Powers. The purpose was to reach general agreements for the peace of the Pacific. It was natural and convenient that the premiers of the self-governing dominions should be present at the discussion of these general Pacific problems, but it appeared that America had not agreed to the holding of the London conference.

I took the opportunity to ask what was the opinion of the British Government with regard to the above-mentioned article in the Times on the holding of informal negotiations at London.

The under-secretary said that there was a plan for "informal talk", and he thought that the Imperial conference was considering it today. He wished to know whether the Japanese government would be favorably disposed toward it in case it were finally adopted.

I said that I would send an inquiry about this, and I again tried to sound out the views of the British Government with regard to separating the Pacific conference from the limitation of armaments conference.

The under-secretary said that Lord Curzon maintained that the Pacific questions were matters to be decided before the limitation of armaments, and he thought there was no intention of reversing this order.

From the foregoing it appears that there is little doubt that the "informal talk" plan originated in a British proposal. Please cable me instructions when you have decided on your policy in regard to this. In case you approve, I think that London is more suitable than Washington for a conference of this kind, and that it will be advantageous for maintaining co-

operation with Great Britain.

(space)

Yet when Hayashi called on Lord Curzon on July 26, the latter implied that the idea of a preliminary "informal talk" originated with the American ambassador. Curzon was annoyed that Japan wasn't letting him in on her plans first and Hayashi, much embarrassed, did the best he could to soothe his disappointment. He urged Uchida to let him know at once.

(space)

London-Tokyo, No. 892.

July 26, 1921.

London- Washington, No. 339.

July 26, 1921.

Urgent.

On July 26 (?) I was asked to call by Lord Curzon, and I had an interview with him at 3:30 P.M.

His Lordship said that if he might judge by a cablegram which he had received from the British ambassador at Tokyo, it appeared that the Japanese government intended to answer the American government independently. If this were so, his repeated statement of his desires had had no effect. He said this with an air of great disappointment.

I said that I myself had not yet received a reply to my cablegrams reporting the wishes of His Lordship, and that I was at present awaiting a reply of some kind. I did not know whether the Japanese government was actually taking an independent course, but I supposed that the Japanese government understood that the British government had given the American government a prompt acceptance particularly with regard to the Pacific conference. Japan alone had not accepted, and was being pressed by the American government. At the same time there would be other circumstances to make Japan act quickly. Be this as it may, I would again send an urgent cablegram explaining his Lord-

ship's desires.

His Lordship kept repeating that if Japan gave an independent answer of acceptance, it would produce an extremely bad situation for Great Britain, and that he earnestly hoped to be confidentially informed of the answer.

I then pointed out newspaper articles to the effect that the Americans had thought of holding "informal talks" in preparation for the conference, and tried to sound out the truth of this.

Lord Curzon said that this plan was as^ccribed to the American ambassador at London, but he did not know how far the talk would go and what would be its scope.

The question of holding the conference at Washington or London is one for consideration by the Japanese government, but it is clear that the British government has not yet given ready assent to the American proposal, and that it keenly wishes to keep in touch with us. I think that it is necessary for us to communicate our answer in advance to Great Britain and request them to reply. Please send me instructions immediately.

(space)

Washington's opinion of the English desire for a separate conference in London to suit the dominion premiers is explained by Shidehara on July 26. England has not been able to understand why America hasn't accepted her proposal with alacrity. It is all due to national vanity the ambassador at Washington shrewdly asserts. According to him, vanity really shot the arrow that killed Cock Robin.

America had to find a tactful way of refusing the invitation without hurting the feelings of the dominion premiers who suggested it in the first place, therefore the press to the rescue. Shidehara preferred ^a show of complete impartiality in the matter. Since

England accepted promptly and unreservedly America's invitation and left Japan holding the bag, Japan had to protect herself from seeming to oppose the Americans in everything.

Japan accepted the Pacific conference ^{invitation} graciously July 26, 1921.

(space)
Washington-Tokyo, No. 431.

July 26, 1921.

Referring to your cablegram No. 453 to the ambassador at London, the American proposal for holding a conference of the powers was in the first place based on considerations of domestic policy as explained in my cablegram No. 408, and the reason for arranging to have the conference at Washington is the great importance which the American government attaches to satisfying the vanity of the nation. There is no room for doubt that the proposal of the British government to have even part of the conference held at London is viewed in America with general resentment.

On the other hand, in view of the fact that the dominion premiers unanimously showed a friendly attitude towards America in the British Imperial conference, a prompt refusal of the British proposal would invite the animosity of the dominion premiers who had started the proposal. Under these circumstances, persons connected with the American government apparently adopted the policy of using the newspapers to produce a display of opposition and to induce Great Britain to drop the proposal.

Lately the newspapers for a series of days have published arguments that the Pacific and Far Eastern questions have deep mutual relations, and that to separate a conference on part of them from the main conference would affect the success of the whole conference. Because this is so, in any case, the American government could not consent to a preliminary conference being held at London after all, and it appears from cablegram No. 884 from ambassador Hayashi to Your Excellency that the American government has already announced this view to the British government. In the last day or two rumors

have been reported that the British government has a plan to have, in place of this formal preliminary conference, an informal conference between the representatives at London of the interested powers and the dominion premiers.

If we look at the matter from the standpoint of Japan, when America proposed the holding of a conference of the powers, Great Britain, without taking any account of Japan in advance, took the lead in giving an answer of absolute acceptance, and France, Italy and China chimed in and followed her example. This naturally left Japan isolated. If today we support the British proposal about the place of meeting and oppose the views of America, we will give the America public the impression that we are thwarting the American proposal in everything and trying to prevent the holding of the conference. This would make Japanese-American relations more dangerous. The best policy is to reveal this situation frankly to the British authorities, and to take an attitude of entire aloofness from the question of the meeting place of the conference.

I have therefore hitherto in my conversations with the Secretary of state avoided any opportunity of being asked our views on the place of meeting. The above for your information.

Next, in regard to the question of the participation of representatives of the British self-governing dominions in the conference, it is said that the premiers of the British dominions wished the American government to send invitations to participate in the Pacific conference directly to them, and that they had unofficially sounded the views of the American government in this sense. The report is that the American government replied that it had no objections to the inclusion of representatives of each of the dominions as part of the British delegation, but in view of the special position of the British self-governing dominions in international relations, it would be impossible to address invitations direct to them.

I was told this by Maurice Low, the special correspondent of the London Morning Post, and by two or three other influential newspaper writers, and

I suppose that it is probably well-founded.

America declined flatly to ^(space)separate the conferences, but Curzon was not stumped.

Casting aside this desire with many a sigh of regret, he concentrated on simply fixing and drawing up the agenda for America's coup so that no national feelings would be hurt, nor any diplomatic toes tread upon.

They certainly hadn't been getting anywhere with cables and something had to be done.

This, he thought, could be accomplished by a brief three day meeting of the most interested countries, Japan, England and America very informally some place in America other than Washington. He would go, the dominion premiers would go, America could send a delegate and one or other of the Japanese ambassadors could be present. Hayashi thought this a grand idea. He was already to engage his passage on the boat that Lloyd-George and Curzon would take if his benevolent government would agree. All this before England, the guest, had informed America that she would be allowed to play hostess and would she please accept the proposal?

(space)

London-Tokyo, No. 893.

July 27, 1921.

London-Washington, No. 341.

July 27, 1921.

Urgent. ~~Very Confidential~~

This morning, the twenty-seventh, at 10:30, I called upon Lord Curzon at his request.

His Lordship^s said that after his interview with me on the day before, which I reported in my cablegram No. 892, there had been a cabinet meeting in which the

dominions premiers had also participated. It appeared that in spite of the recent repeated cable inquiries between London and Washington, the intentions of the American government were not yet clear, and the same with the cable correspondence between Washington and Tokyo, and no cooperation had been established even between London and Tokyo. Cable correspondence merely led to complications to no good effect.

If it were difficult for the three governments quickly and clearly to arrive at points of agreement, it would be better to have meetings of representatives of the three countries. An attempt would be made to have meetings it appear to the public that the "conversations" were not a "conference". It would be hard to take the matter up publicly with the American government, but the place might be any place in America which would please that country except that meetings at Washington might be interpreted as a conference. The cabinet meeting had therefore decided to propose to the American government that there be a discussion of the agenda of the Pacific conference at any convenient place other than Washington.

After America should have accepted this proposal, it was in mind that Mr. Lloyd-George would himself go, and with him the premiers of the self-governing dominions. Lord Curzon wished himself to attend so far as his duties permitted. He asked whether the Japanese government would agree to this proposal.

I said that I thought that it was a very bright idea which I thought the Japanese government would accept without hesitation.

Lord Curzon asked me to go with him to report this, and I accompanied him to the premier. Lord Curzon repeated his conversation with me. The premier said that the British government wished to work as closely as possible in harmony with the Japanese government. He said that he himself

could probably leave the twelfth or the thirteenth of next month, and return to England by the end of the month. He thought two or three days would be enough for the conversations. On account of the distance it would be hard for Japan to send special representatives, and he asked whether it would be possible for Japan to be represented by the Japanese ambassador at Washington or by myself or the ambassador at Paris.

I replied that for the main conference Japan would probably send representatives from Japan, but that for the preliminary arrangements, we fortunately had in the United States "one of our best men", ambassador Shidehara, and I thought that he could do the work perfectly on the basis of instructions from his government. If our government thought it necessary that ambassador Ishii or I should be present, it would be very convenient if we could go on the same ship with the premier.

It was said that the British ambassador at Washington would be instructed to make this proposal to the American government.

I think that this proposal is a good one for the consideration of this matter, and that the British government aims at the continuation of the Anglo-Japanese alliance, and is working to find some points for an understanding with the American government. I therefore keenly desire that our government shall quickly accept this proposal.

(space)
Uchida reveals that it is really immaterial to Tokyo where the conference is held, but that because of strained relations with America, over the immigration question, Yap, Shantung, the delay in acceptance, she is not in a position to push England's wish to hold it in London. Though they cannot aid England, the cabinet wishes to keep in constant contact with Curzon to delve out his meaning for peace guaranty treaties to replace the Anglo-Japanese alliance.

Tokyo-London, No. 460.

July 1, 1921.

London-Washington, No. 343.

July 28, 1921.

~~Very confidential.~~

According to Lord Curzon's original proposal in your cablegram No. 813, the British government intended that the place of meeting of the conference should be chosen by the American government, and, according also to your later cablegram No. 825, negotiations were proceeding with America on the program that the British would have America as the proposer and that the American government should send invitations to the powers. As a result of this, the American government inquired our confidential opinion as to holding a conference at Washington, and the negotiations on our part proceeded with America standing as the principal proposer.

When, therefore, at a later date the proposal to hold a conference at London in the middle of August was suddenly received from the British government, the Japanese government was in the position that with and regard to the whole preceding course of events, it could do nothing but ask to be informed, as it did in our cablegram No. 439 whether the American government had any objection to changing the place of meeting.

Of course our government does not have the view that the place of meeting need necessarily be limited particularly to Washington, and therefore if America should assent to the British proposal to change the place of meeting, we should of course agree to having the conference at London. But, as you are aware, if the British government wishes to have a proposal made to the American government to change the place of meeting, it would be more reasonable and proper for the British government to make the proposal than for us. Unfortunately we are not in a position to make this proposal, and it was difficult to allude to the point in our answer to America.

Of course, however, it is the desire of the Japanese government to have an unreserved exchange of views with Great Britain regarding the matters for discussion, and it is our purpose at least from now on to effect an unreserved understanding.

When you carry out the instructions given in our cablegram No. 458 (Note. Not received), please at the same time give Lord Curzon a detailed explanation of the foregoing, and ask him for a thorough understanding of our position. We think it is extremely important to make our position in this matter clear to the British government, and if you think that in order to avoid any possible misunderstanding on the part of the British government it is better to present a written note, there will be no objection to your doing so.

According to your cablegram, Lord Curzon said that the purpose of the Pacific conference was to make peace guaranty agreements ^{parallel} to the Anglo-Japanese alliance. We should be glad to be informed of his ideas as to these peace guaranty treaties. Please have an intimate interview with him, and report the results.

(space) (possible chapter break)
From Shidehara's account of an interview with Hughes on July 29 we learn America's reasons for avoiding a preliminary conference even in America. Hughes objected because he was afraid each government would have a set program to persist in. Moreover, he wanted unreserved exchanges of opinion in an absolutely unbinding, informal manner and he thought that the other countries would be affronted at being left out should three of them meet. Then, too, they might suspect an attempt to 'fix' the agenda, to railroad through a cut-and-dried, prejudiced schedule.

In order to dispel the idea that Japan and England were working together to force America to consent to a separate meeting, Shidehara bent over backwards to agree with

Hughes and give the impression that it would be impossible for Japan to prepare her views in so short a time. His idea was to have each government prepare its idea of important business and exchange programs with the others. Then, if the varied agenda were too divergent, a preliminary meeting might be considered. As Hughes presented his views, Shidehara quickly grasped the advantage of having the discussion and agreement sub rosa. (Note that it was Hughes who suggested sub rosa concord.) Shidehara's agreement was to cause trouble with Hayashi.

(Spec.)

Washington-Tokyo, No. 443.

July 29, 1921.

According to London-Tokyo cablegram No. 884, the American ambassador at London on July 23 in an interview with the British minister of foreign affairs informed the British government of the American plan as to what questions should become matters of discussion at the conference. As no such information had yet been communicated to the Japanese government by the American government, I thought it necessary to ascertain the facts. It happened that the Washington Post of July 26 had a short article with a cablegram from a London correspondent stating that Harvey had given this information to Curzon. I therefore called upon the secretary of state on July 28, and, after showing him a clipping of this article, I asked him about the truth of the report.

Hughes read the clipping and said that it was true that Harvey in reply to repeated inquiries on the part of Curzon had suggested several subjects which would be brought up in the conference, but of course not only was this done with no intention of thereby regulating the scope of the agenda, but the questions which he had suggested were absolutely not

in the least the definite plan of the American government. They were merely a tentative indication of the questions which came to mind at the moment.

I then referred to the recent British proposal reported in ambassador Hayashi's cablegram No. 893 to have informal talk among the Japanese-British and American representatives at some place in America other than Washington to reach an agreement on the agenda of the conference, and I asked the views of the secretary of state.

The secretary replied that there were inseparable relations between what were called the Pacific and Far Eastern questions and what was called the armament reduction question, and the American government therefore anticipated a single conference on all these questions together. The British proposal to hold a preliminary conference concerning solely and especially the Pacific and Far Eastern problems was inconsistent with this fundamental principle. It was not his understanding that the British government was trying to carry out actually the same plan with some differences of form. If the Japanese government supported it, he would consider the matter further, but it was hard to see any valid reason for the proposal.

From the way the secretary spoke, I gathered that he had the mistaken idea that Great Britain and Japan were working together and demanding the consent of America to this British proposal.

I therefore explained that it was scarcely the day before that the British proposal had been broached by Lord Curzon to ambassador Hayashi, and that same afternoon I had learned of it in a cablegram from Ambassador Hayashi. No report of the views of the Japanese government on the proposal had yet been received. It was my own personal view that it was doubtful whether this plan was practical so far at least as it concerned the Japanese government.

From what I had heard, it appeared that the British representatives expected to leave London about August 12 or 13 and to be back in London by

the end of the month, and that they expected to agree on the whole matter in merely two or three days. From a solely British viewpoint, this might be convenient and possible (the secretary here interjected that this was quite so). Naturally after the exhaustive discussion of these problems between the premier of Great Britain and the premiers of the British dominions, the British delegates might be ready immediately to set forth definite opinions on these matters, and the same might be the case even with America, but the situation with Japan was far different. Even if our Premier himself wished to attend, there would absolutely be no time to spare. Whoever might be appointed as Japanese representative would have to discuss the problems with the Japanese government, and it would be natural also for the Japanese government to wish to have sufficient time for discussion before deciding on its views. In handling diplomatic problems, it was our fixed policy to avoid precipitate action and to proceed carefully and circumspectly. I said that I did not think that our policy would permit us without preparation to agree lightly within two or three days on the agenda of the conference.

Hughes had a pleased air when he saw that the British proposal was not a joint prearranged movement on the part of Japan and Great Britain. He said with a laugh that anyone who proposed to have the British premier in company with the premiers of the British dominions visit America and carry on "informal talks" in some place outside of Washington to avoid arousing public attention by the word "conference", did not have the least understanding of the situation. This would not in the least deceive the eyes and ears of the American newspaper men. He himself sincerely desired the success of the conference, and under the circumstances he was in entire agreement with my view about avoiding precipitate action.

I said that in my personal opinion, Japan, Great Britain and America should communicate these drafts to one another. If the drafts were in a general way consistent each with the other, an effort should be made

through ordinary diplomatic channels to reach a preliminary agreement among the three powers. If on the other hand there were marked differences between the proposals of the various powers, I thought that then would be the time to consider whether or not to have a preliminary conference among the three powers.

~~I said that in my personal opinion, Japan, Great Britain and America should each draft tentative agenda and should communicate these drafts to one another. If the drafts were in a general way consistent each with the other, an effort should be made through ordinary diplomatic channels to reach a preliminary agreement among the three powers. If on the other hand there were marked differences between the proposals of the various powers, I thought that then would be the time to consider whether or not to have a preliminary conference among the three powers.~~

Hughes said that in general if one Government or its representative had decided its own views and had communicated them to the government of another country, there would be a tendency to persist in these views as far as possible. That, he said, is human nature, I think, and you will probably agree with me. The best policy would be, without any definite draft plan on the part of any government, to have unreserved exchanges among the representatives of the interested powers in an absolutely unbinding and informal manner. Proposals for meetings of a definite form such as the so-called preliminary conference would react to make the situation more difficult.

With regard to whether his phrase "the interested powers" meant the three powers of Japan, Great Britain and America or whether it meant the Powers participating in the conference, Hughes particularly avoided speaking clearly, but I think that one reason for his views is that it is not right and would incur the suspicion of the other participating powers to hold any kind of meeting among solely the three powers and try to agree on the agenda of the conference. On the other hand, in case there were informal exchanges of views such as Hughes favors, it would be possible inconspicuously to do

this actually among solely the three powers. Under these circumstances, it appeared to me that it might be advantageous actually to proceed with discussion without clearly specifying that it is limited solely to the three powers. I therefore postponed going any deeper into argument on this point.

(space)
Uchida and the Japanese cabinet were beginning to understand America's purpose and what plans, or lack of them, she had in mind, but England and Curzon ^{were} ~~was~~ still a mystery to her and she was suspicious. To have Lloyd-George, Curzon and the premiers of the colonies come to America just to discuss agenda seemed top heavy in Japan's eyes. She suspected Great Britain of holding something back, of having a prepared plan which she wished to foist on the meeting in short order.

(space)
Tokyo-London, No. 464.

July 30, 1921.

London-Washington, No. 347.

July 30, 1921.

Urgent. ~~Very confidential.~~

Referring to your cablegram No. 893 ~~(Noted - 11/11/21)~~, not only would an informal exchange of views among representatives of the British, Japanese and American governments be in accordance with the policy of the Japanese as stated towards the end of our cablegram No. 303 ~~(Noted - 11/11/21 - 11/11/21)~~, but the American government has clearly stated that it has no objection to a discussion of the agenda before the conference meets. We therefore think that there is no objection to giving our consent to Lord Curzon's proposal, provided America accepts it and that the purpose is to agree on the agenda, but much care is needed just here.

What is the real purpose of the British government in proposing an informal exchange of views? The purposes of America have by this time become clear by an exchange of views, but when we come to Great Britain, Lord Curzon originally,

according to your cablegram No. 873, said that he understood that it would be proper for the conference to discuss all pending questions, but later, according to your cablegram No. 884, he said that the Americans wished to submit practically nothing but Chinese and Russian problems to the conference was unexpected on the part of the British government, and that the general purpose of the British government in its wish for the holding of a Pacific conference was to conclude agreements parallel with the Anglo-Japanese alliance among the powers having important positions in the Pacific as a guarantee of the future maintenance of peace.

There is an inconsistency here, and his real purpose is hard to understand. If we should enter an informal preliminary conference heedlessly and without fully understanding these points, and if by any chance an agreement were not reached by reason of differences of opinion, the responsibility would be laid on us.

According to your cablegram No. 893, Lord Curzon said that the purpose of this preliminary meeting was to discuss the agenda of the Pacific conference, but merely for the purpose of agreeing on the agenda, it gives an impression of exaggeration for the premier, the minister of foreign affairs and the premiers of the self-governing dominions all to go to America. Moreover, Mr. Lloyd-George said that he thought two or three days conversation would be enough.

Judging by your cablegrams, it might be conjectured that the British already have some concrete plan for the agenda and for the Pacific agreements, and that, after the preliminary conference which they wish Washington to call, they wish singly to make arrangements in regard to this plan.

You will therefore reply to Lord Curzon that the Japanese Government has no objection to holding informal preliminary conversations between

representatives of Japan, Great Britain and America at some place in America outside of Washington, provided that America consents and that the purpose of the conversations is to agree on the agenda. At the same time you will say that the Japanese government wishes to effect the close cooperation of the governments of the two countries for which Mr. Lloyd-George expressed a wish, and that in the first place it wishes to have as unreserved as possible an exchange of opinions between the two countries regarding the agenda, and that it wishes to be informed if the British have any plan in regard to the agenda and the Pacific agreements.

You will try thoroughly to penetrate the ideas of the other party. If unexpectedly they should still have no plan, you will say that you are sure that Lord Curzon can of course have no objection to our negotiations with America, the details of which you have heretofore confidentially communicated to him. You will ascertain his views and report the result by cable.

(space)

When Curzon learned America's views of the matter, he considered it a mistake on her part not to accept his plan. Curzon cabled Geddes to see Hughes again and make plain to him that no one was getting anywhere trying to negotiate separately and that if America wished to express any opinion on the Anglo-Japanese alliance, that would be her golden opportunity. If there was any decision reached as to agenda between Japan and America, Curzon felt that England ^{should} ~~would~~ be let in on it. Hayashi like-wise wanted to learn Curzon's views. But Curzon evaded his request by stating that it would be better to take up things as they came in the informal discussion. He was surprised that Japan

at Washington had apparently disapproved his proposal and Hayashi had much ado explaining Shidehara's attitude.

(space)
London-Tokyo, No. 902

July 30, 1921.

London-Washington, No. 349

July 30, 1921.

Urgent. ~~Very confidential~~

When I received your cablegram No. 464, it appeared doubtful whether the British proposal would be successful in view of the attitude of the American government as reported in cablegram No. 443 from the ambassador at Washington to Your Excellency. I thought, however, that it would be good tactical policy to let the British government know that the Japanese government had accepted its proposal, and I immediately telephoned the foreign office for an appointment to see Lord Curzon. I talked with Lord Curzon's secretary (!), but the foreign office had closed and Lord Curzon had left and could not be found at his house either.

It therefore seemed doubtful whether I could get word with His Lordship, and I therefore wrote the substance of your cablegram in the memorandum given in the accompanying cablegram No. 903 to send to his address. I was then informed that His Lordship had returned to his home, so I called on him in the afternoon of the thirtieth and handed him the memorandum. At the same time I explained the contents of your cablegram, and said that from a cablegram from the ambassador at Washington which I had just received, it appeared that the American government would not accept the proposal of the British government in this matter. I asked whether he had received any answer from the American government.

Lord Curzon said that on the evening of the twenty-ninth he had received a report from the ambassador at Washington that, although it was not intended that this meeting should appear to be a "conference" and was spoken of as an informal exchange of views, the American government felt

that it was really a "conference" and it could therefore hardly accept the proposal. It was added that the Japanese ambassador at Washington had not approved the British proposal either.

Lord Curzon said that he had cabled the ambassador that this proposal had first been sent to the American government on the initiative of the British premier and the premiers of the dominions, advocating that there should be an informal exchange of views on what questions should be discussed by the conference. The ambassador was to present his reports to the American government and to say that at present there was no contact by consultation among Japan, Great Britain and America, and that it was difficult to bring out views with facility by attempting to negotiate separately.

Not until there was an unreserved exchange of views between representatives meeting together of the principal powers deeply interested in the Pacific problems, that is, of Japan, Great Britain and Japan, would the views of each become clear. Thus, if there are any points in the Anglo-Japanese alliance of concern to America, questions of this kind could not be discussed in a short conference, and it is necessary to arrange in advance what questions shall be discussed in the conference. By a free exchange of views as to whether such questions as this should be brought up in the conference, the views of each party would be brought out and an effort could be made to decide in a general way what questions shall be raised in the conference. The British government considered it a great "mistake" on the part of the American government not to accept this proposal, and it hoped that the American government would reconsider its attitude.

Lord Curzon said that in any event he intended to consult with the dominions on this matter on the ... [Ed. Note. Possibly, first] of next month, but it was not clear whether the Americans would accept the proposal.

He added that Great Britain had a right to participate in any conclusions reached by the negotiations on the agenda of the conference which were already proceeding between Japan and America.

I said that I should like to be informed of any plan which the British had in regard to the agenda.

Lord Curzon said that it was better to have no plan for the subjects to be discussed in the informal exchanges, but to clear up points only as they were brought up in the exchanges of opinions. He also commented on the statement that Ambassador Shidehara had not approved of the proposal.

I explained that according to a cablegram from Ambassador Shidehara the ambassador had referred to this matter in talking with the American secretary of state, and Mr. Hughes had spoken in a way that showed he thought that Japan and Great Britain were jointly urging this proposal on America. The ambassador had then replied that the British government had first broached this proposal to me on July 27, and that the views of the Japanese government on it were unknown. Probably from this the Americans had got the impression that the Ambassador was opposed to the proposal.

(space)

When Shidehara received his copy of this letter to Tokyo, he informed Hayashi at once of the true state of affairs. His objection to a preliminary chat had been solely based on the date, on the inconvenience of well-informed representatives from the home office getting to America in time so he said. But read again No. 443. Further, he denied that America had taken Japan in to her ^{confidence} ~~conference~~ as to agenda.

Apparently Japan was siding with America at Washington and with England at London about the preliminary conference. Hayashi favored the preliminary talk at London to maintain cooperation with Britain. And later, because he thought it all important to

settle the agenda, he urged Japan to agree with England about a preliminary conference in America.

He was not ~~so~~ pacified by Shidehara's cabled explanation of his words to Hughes against the British idea. He resented the implied reflection on his efforts when Tokyo stated that the American idea was clear, but that of the English hazy. In a very lengthy cable he reviews incisively the whole situation and the case for the British. It was all-important in his eyes to gain the good will of England. Shidehara could attend their talk, or he or Ishii could go over on the same boat. He forecast that America would line up with China against Japan. He emphasized the impossibility of hearing from all the countries before the opening of the main conference. Moreover, he thought the round robin method unsuitable.

Hayashi was shrewd enough to penetrate Curzon's incompetent vagueness, the half-baked idea for the whole conference; keen enough to pierce the fog of misunderstanding in which the three governments found themselves. He smiled at the idea that the conference originated in a secret plot on the part of England and America to oppress Japan. He was astute enough to recognize the inherent inability of the English and Americans to grasp each other's point of view at first glance, and traced it all to the traditional muddleheadedness of the English. They had no plan. Even his own government comes in for a sound berating, for lack of responsiveness and cooperation and he harped once more on

Shidehara's words to Hughes. He had an eye to the weather whatever bef^{el}ls, but he intended to see that something was done, before the conference opened if his advice worth anything. It wasn't.

(space)
London-Tokyo, No. 909.

August 3, 1921.

London-Washington, No. 353.

August 4, 1921.

~~Very Confidential~~

1. Referring to your cablegram No. 464, in this cablegram appears the statement that the views of the American government up to the present time with regard to the agenda of the conference have been generally plain, but that it is hard to understand the views of the British government.

With regard to the American government, the American ambassador at London informed the British government of the subjects to be discussed in the conference as the plan of the American government, but Ambassador Shidehara was told that this was merely a tentative statement of the questions which came to mind at the moment.

While the British were making the above report and were exchanging views and wishing to know the nature and scope of the agenda, the Japanese were apparently carrying on no negotiations^{at}. The words of Ambassador Shidehara were turned about, and, while the British government was informed that the Japanese ambassador at Washington opposed the British proposal for a meeting for informal exchange of views, it appeared that no report of the facts of Ambassador Shidehara's words was made from our side, and, while, from the opposition of the Japanese ambassador at Washington to the British proposal, it was naturally supposed that the Japanese government had the same position, on the other hand currency was given to the opinion that Japan approved, because she wished

to secure the exclusion of Chinese questions from the agenda (Note. Text is garbled to a degree which makes it hard to be sure of the connection of the thought).

In view of this situation, I interpret the conversations of the American secretary of state with Ambassador Shidehara up to date as being no more than haphazard talk, and I think that it can hardly be said that the actual intention of the American government in regard to the agenda has been made clear by them.

To the extent to which general intentions can be conjectured from the above-mentioned exchanges of views, I believe that the intentions of the British can also be inferred from the situation, the course of events up to this time and the words of Lord Curzon.

In the first place, when the British first suggested a Pacific conference, the conference of the Premiers of the British dominions were discussing the renewal of the Anglo-Japanese alliance. Some of the premiers pointed out that the renewal of the alliance was not pleasing to America. While Great Britain had in mind the advantage of continuing the alliance with Japan as it had existed, it was agreed that friendly and cordial relations with America must be maintained, and that a dispute must be avoided to the utmost. It was decided that the views of America must be asked, and that as China had also been opposed to the renewal of the alliance her opinions must also be heard. Thus was developed the idea that a conference on the matter should be held among Great Britain, Japan, America and China.

Judging by the course taken by the matter and by the situation just described, I feel that it is not hard to imagine that Lord Curzon at first had only extremely vague ideas, and I suppose that he has no particular definite subjects for discussion.

In fact, as reported in my cablegram No. 852, Curzon admitted that he had no definite plan, and went on to express the opinion that the present condition of affairs in China would not permit her to bring up any arbitrary

aspirations, nor would any meddling with the peace treaty be countenanced, but at the same time a discussion of the Shantung question would be inevitable. As reported in my cablegram No. 874 he made it plain that he did not like a prolonged conference. In my cablegram No. 884 in reference to the statement of the Ambassador at London that the American plan included discussion of Chinese and Russian problems, he said that America did not understand the situation, from which it may be supposed that he did not intend to discuss detailed questions, but to have a generalized discussion of questions affecting the general situation.

2. As I see the situation, the principal parties to this conference, Japan, Great Britain and America, are at present regarding one another with mutual distrust.

Thus the Japanese government appears to imagine that the original British initiative in calling the conference was due to some negotiations between Great Britain and America, as if there was a plan for these two powers to agree to oppress Japan, and the Japanese government appears to interpret the British proposal for an informal exchange of views as a secret plot to force the adoption of some definite plan which Great Britain already has.

On the other hand, it appears from cablegram No. 443 from the ambassador at Washington to Your Excellency that the Americans suspected that Great Britain and Japan had combined against America for an informal exchange of views, while in Great Britain it was thought that Japan and America were conducting negotiations from which Great Britain was left out.

It appears, however, that up to today there is no connection between Great Britain and America; that the British did not interpret the spirit of the conference in accordance with the plan of agenda indicated by the Americans, nor did the Americans accept either the British proposal for a preliminary conference nor the later British plan for holding informal exchanges of

views at some place in America other than Washington.

That America thought Great Britain and Japan had united in the plan for an informal exchange of views must I think be clear from the course of events up to the present time. There is also considerable inconsistency first and last on the part of the British with regard to the purposes of the conference. It appears that the British proposal for an informal exchange of views was made as a reflection of the fact that at first they had no plan. The idea was simply that if the responsible representatives of the different governments could get together at some place and exchange views, some consensus of opinion could be brought out and the subjects to be discussed by the conference could be decided on. At this exchange of views it was to the advantage of Great Britain to have the premiers of the self-governing dominions present and in making their proposal they chose a time when the premiers could attend. The idea that the British from this circumstance already had a definite plan is, I think, no more than a supposition.

In regard to the British distrust, the Japanese government is partly to blame. When Great Britain first solicited the American government to act, it was the intention to have the conference held at some place in America, but later the premiers of the self-governing dominions suggested that they wished to have a preliminary conference held at London while they were there. If this were arranged between Great Britain and America with no thought of Japan, it might be embarrassing for Japan, but, besides myself, Ambassador Ishii and Count Chinda were in Europe and it was not entirely impossible to furnish representatives. It was politely suggested to us that it would be better for Japan if the conference were held at London rather than at Washington where the atmosphere was not very favorable to Japan, or that at least it would not be disadvantageous, but the Japanese government made no reply to this. As a result, the British government was led to believe that

the Japanese did not agree with the proposal, and, as they observed that ^{at} the same time we were holding conversations with America as to the nature and scope of the agenda, they came to think that Japan was trying to make some independent agreement with America.

Furthermore, although it is distressing to me to point out past facts on this occasion, Ambassador Shidehara clearly expressed opposition to the British proposal. Even if the meaning of his words is absolutely that stated in his cablegram No. 245 to me, (irrespective of the case of the arrival of a communication from the Japanese government that it would by all means send delegates from Japan) it is hard for me to

What is more, as reported in my cablegram No. 893, the British had asked whether it would be convenient for the Japanese government to name as its representatives some of its men in Europe or America, and had said that they were willing for the ambassador to France or for me to go on the same steamer with the British premier and his party, and they would be entirely unable to understand the incident. I think that in spite of my communicating to them the views of the Japanese government, they may harbor an impression that the Japanese government at bottom shares the opposition of Ambassador Shidehara, which would be a very undesirable impression for the Japanese government.

It may be necessary for the Japanese government to a certain extent to watch its interests with a suspicious eye, but I do not admire carrying this attitude too far in each thing that happens. Especially with Great Britain we should maintain close relations of mutual confidence, and in the conference we should stand together and work as far as possible in cooperation and harmony. In regard to questions concerning China, it is inevitable from the preceding course of events that America will stand in full support of China against us. Not only therefore is it necessary, but it is proper with regard to a country which is our ally to take an open-hearted attitude and not to view the activities of Great Britain

with a suspicious eye. It must also be considered that an attitude of suspicion on our part will make us suspected. I must hope that this will have your careful consideration.

3. A further consideration is that the British proposal for an informal meeting between Great Britain, Japan and America is a more advantageous method for us than the method which America appears to have in mind.

(Note. The text from here on is badly garbled.)

This would be a reason for our at once expressing our acceptance. If America accepted, no more..... [Ed. Note. Possibly, exchanges of opinion] would be necessary. But if America ^should not accept and the plan should not go through, we should so far have the advantage of having announced our acceptance to Great Britain. If an understanding on the agenda is to be made between Japan and America before the conference, America will maintain that the subjects to be discussed must be regulated by the views of the countries which participate in the conference, and will be opposed to having a preliminary conference in any form.

If there is to be no special meeting held, and the views of all the participating Powers are to be heard, the whole matter will be left to the conference and all the Powers will decide the agenda at the beginning of the conference, which is a very undesirable method. It would be very difficult for each of the Powers to give its views one by one, and I think it very doubtful whether the agenda could be arranged in advance in this way.

(space)

When America rejected reconsideration of a preliminary chat at England's request, Curzon

was piqued and told Hayashi bluntly that from now on it was America's affair. Since she

turned down all his suggestions toward cooperation, she should decide the agenda. Even the

date was immaterial to him. ^(Ftnt) (For texts of these messages No. 916 and No. 923, August 5 and 7

see *ibid.*, Pages 299-301):

Two weeks later he was still huffy about not getting things his own way. If he couldn't have it, he just wouldn't play. When he was in Paris attending ^{the} allied supreme council meeting, he was even more forthright in his displeasure at America's attitude. Despite the Japanese pointing out that they alone were not likely to agree easily with the Americans and needed British intercessions and advice, he was adamant. Even as late as August 26 he had avoided discussing agenda with America.

(aparc)

Paris-Tokyo No. 1288.

August 1, 1921.

Paris-Washington --

August 15, 1921 ✓

While Lord Curzon was here I had two conversations with him about the Pacific conference which I report as follows for your information.

He said that the American authorities did not know how to use the opportunity Great Britain had given them. He deeply regretted their refusal of his proposal that the British premier and himself accompanied by all the dominions premiers should go to America. Under the circumstances, Great Britain was no longer in a position to open its mouth. For this reason when the American ambassador had asked his opinion about the agenda, he had said positively that as America was managing the affair, she should also decide the agenda to please herself.

I said that if the agenda were to be arbitrarily decided by America because her attitude was unsatisfactory to Great Britain, this ^would be [Ed. Note. Possibly, unfair] with regard to Japan. It did not appear that the agenda would be easily decided on between America and Japan, and it would be necessary to have the participation of Great Britain. I called attention to the fact that if the conference were held without a decision on the agenda, it was self-evident that it would fail.

Lord Curzon said that there was no change in the desire of Great Britain
to have an unreserved exchange of views on this matter with Japan.

(space)

Shall there be two wakes for Cock Robin? The answer is 'no'!

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Part I

Origins of the Washington Conference.

Chapter 4.

Planning the Keening.

Meanwhile Tokyo had decided to pursue Shidehara's suggested neutrality in the family spat between mother and run away daughter. It was important that Japan be not accused of duplicity in this matter. ^(faint) (For text of this message, No. 470, ^{August 7, 1921,} see [^]ibid., ~~August 8, 1921~~ Pages 302-303.)

Shidehara was determined not to be misunderstood by Hayashi or perhaps he just wanted the last word. He sent another cablegram No. 255 direct to London reiterating his statements in No. 443 as to the impossibility of the Japanese representatives receiving instructions from their government in time to complete the decision on the agenda in three days. Any decision reached in that time, he felt, would be to the distinct disadvantage of Japan. He closes in characteristically an American rather than a Japanese manner:

(space)

Why should we suffer this disadvantage? I do not understand the necessity of holding the meeting at a date and under circumstances to suit the convenience of Great Britain and America.

(space)

As far as Washington and Shidehara were concerned that problem was closed and the

all important one of what to talk about filled all his days and nights. Tokyo had instructed him to learn the American plans as quickly as possible and reach a definite agreement by the middle of September at the latest, just a month off. Uchida had promised a list of unobjectionable subjects, subjects in which they should take the initiative, and forbidden topics. Shidehara thought the strategic move was to take the first jump and present their ideas as a working basis. If it were based on a just and equitable policy of peace, it could not but help fortify their position in world public opinion. Since England was so touchy, she should have to be informed at the same time.

He informed Hughes of the desires of the Japanese government on August 25. The latter promised to have a tentative program to lay before them in the desired time. His slowness in presenting the business was due to his unfamiliarity with Far Eastern questions and the necessity for research on the subject. (FTmt. to follow cable)
(John VanAntwerp MacMurray was chief of the Far Eastern section of the United States department of state. Stanley Kuhl Hornbeck was then assistant to the economic adviser in the department of state. Professor E. T. Williams was former chief of the Far Eastern section.)

(space)
Washington-Tokyo, No. 553.

August 25, 1921.

~~Washington-Tokyo, No. 553.~~

~~August 25, 1921.~~

I had an interview with the secretary of state on August 25. . . .

Then I referred to the Pacific and Far Eastern questions which would come up for discussion and asked about the form which the ideas of the American Government had taken.

Hughes replied that for the past few days he had been studying this from every angle, but he had been interrupted by the pressure of many other questions demanding immediate disposal, and had not been able to draw up the draft.

Relative to the exchange of views on the agenda, it was important to have some means of entirely informal and unreserved discussion^o without any fixed plan introduced by America or any other country. If, on the contrary, we went through some form or other of formal discussion, then the countries would receive the impression that secret negotiations were on among the countries who were participating in the conference, ~~and~~ would inevitably demand the right to take part, and this would only result in an unfortunate situation for every country.

To these words of the secretary of state, I said I hoped that today, when the time for the departure of the Japanese delegates was drawing more and more close, steps for the discussion of the agenda would be instantly speeded, and, since it was necessary for the discussions to terminate by

(This should be done & placed in)

the middle of September at the latest, I hoped at an early date to be informed, by the country convening the conference, as to the plans, be they in the rough only.

Hughes replied that, so far as the two countries of Japan and America were concerned, it would not be impossible to have the exchange of views complete by the middle of September. However, although he would exert his full efforts toward this end, of course if the other countries objected to the views of Japan and America, it was impossible to predict how things would turn out.

I have learned from other sources that a committee for preparations, composed of three men, MacMurray, Williams, and Hornbeck are examining Far Eastern questions and collecting material. I suppose it is expected to frame the agenda finally with this material as basis.

(space)
Washington - Tokyo, No. 562.

August 27, 1921

It is clear from my telegram No. 552 that the secretary of state has as yet no idea about the agenda of the conference. I requested him to reply as soon as possible but it does not appear that the secretary is conversant with such matters as the Pacific and Far Eastern questions. It will require some time for him to examine the material which will be gathered by the state department preparation committee and to study it for

himself for form's sake before he determines upon his views. I am afraid, therefore, that if we wait for proposals from the Americans, it will be difficult to conclude the exchange of views by the middle of September.

Under these circumstances, apparently the only thing to be done in order to bring about an early exchange of views, is for Japan, the country most vitally interested in this question, to take the initiative in proposing the agenda of the conference and come to an understanding with the other parties. I feel that this policy is also advisable as giving us the guidance of the general trend of the conference.

I request your special reconsideration of the foregoing.

Moreover, does the Imperial government desire that such questions as those of communication facilities and sea transportation, cited in your telegram No. 388, be included in the agenda, or at least is there no opposition to such a course? If it is not desired that these questions be included in the agenda, it is necessary for me to have that information in order to converse with this government. In short, it will be advantageous for us not simply to ascertain the views of this government, but to adopt a consistent policy of taking the initiative.

I think it would be proper for us to take as the principle purpose of the conference, in connection with the question of the reduction of armaments, to reach an understanding on Pacific and Far Eastern problems which might become a source of international complications, and to leave to a later conference of the interested powers such questions as communication facilities and sea transportation.

(space)
Evidently the committee on preparations was more efficient than Hughes had anticipated, for a draft of the agenda was ready September 9. The secret was close kept for it did not leak into the newspapers for almost two weeks. On September 22 The New

York Times published the authorised agenda as follows:

(space)

Limitation of armament

1. Limitation of naval armament

Basis

Extent

Fulfillment of conditions

2. Rules for control of new agencies of warfare

3. Limitation of land armament

Pacific and Far Eastern questions

I. Questions relating to China

1. Principles to be applied

2. Application to subjects

(a) Territorial integrity

(b) Administrative integrity

(c) Open door--equality of commercial and industrial opportunity

(d) Concessions--~~Monopolies~~ and preferential economic privileges.

(e) Development of railways, including plans relating to the Chinese

Eastern railway

(f) Preferential railroad rates

(g) Status of existing commitments

II. Questions relating to Siberia--similar to questions relating to China

III. Mandated islands (unless the questions are settled earlier.)

(space)

The questions that worried Shidehara at first glance at the agenda were the South Manchuria railway and the Chinese Eastern. He did not see how anything could be definitely settled about the latter since Russia, the chief owner, was not to be present. He considered the status of unofficial commitments impossible to determine.

(space)

During an interview with me on Sept. 9 the Secretary of State confidentially communicated to me the draft of the agenda of the Washington conference given in accompanying cablegram No. 596. I replied that I would express some opinion of it later after I had examined it thoroughly.

1. I said that a question which struck me at the moment was with regard to the phrase "development of railways" in item 5 of paragraph I under Pacific and Far Eastern questions. I inquired whether this meant for example that it was intended to discuss the South Manchuria railway.

Hughes said that at present there was no question regarding the South Manchuria railway which he himself wished to present, but, in case there were some question or proposal in the conference chamber, it would contribute not a little to the general understanding if Japan would in reply explain the facts or declare its own policy.

2. I said that the same item has the phrase "plans relating to Chinese Eastern railway". How could there be any discussion or decision regarding this railway which was the property of Russia in this conference in which Russian representatives will not participate?

Hughes said that he still expected that Russia would really be restored, but no one could forecast the time, etc., of the restoration. Until a lawful Government was established in Russia, the ideal would be for us (this would mean the five powers) to act as trustees of Russian property and interests.

I replied that even if we assumed that we were the trustees of Russian property, we of course did not have the inherent powers of the Russian government. Therefore in case the conference made any agreement regarding this question, its validity must be regarded as conditioned on receiving the assent of a lawful Russian government when such shall be established.

Hughes said that he agreed theoretically with my view, but he was afraid that a specific statement of such a condition in a resolution of the conference would react to complicate the situation.

3. I then referred to item 7 of the same first paragraph - "status of existing commitments". I said that although it would not be difficult to make clear the status of the commitments of China to foreign governments, when it came to commitments to foreign companies or individuals, I imagined that even the government of the foreign country under whose jurisdiction they came would be unable to ascertain them. Probably the intent of this item was to determine the scope of all the obligations incumbent on China and to avoid future misunderstanding. If this were the case, I thought it would be very difficult in practice to attain that purpose.

Hughes said that he agreed with my opinion that it would be impossible to make clear all the obligations of China's commitments, but the intent of this item was to discuss the commitments of China which had a bearing on China's administrative power or on the general interests of the Powers.

I inquired whether in that case it was intended that for example such matters as the contracts for employment of foreigners in the customs and salt tax administrations should come under this item.

Hughes said that if anyone wished to raise a question about such contracts, it could certainly be discussed under this item. In this connection Hughes also expressed the opinion that, although there would be no objection for example to a railway loan agreement that the parties supplying the capital should appoint all the financial personnel of the railway, it would be dangerous to the future of China if they should exercise any administrative rights which included political objects concerning the railway.

4. In reply to my questions, the secretary also said in regard to the second paragraph that, although there would not be such complicated questions regarding Siberia as regarding China, he thought it proper to

have substantially the same items and give an opportunity to anyone who wished to discuss them.

I asked whether this draft of the agenda had already been communicated to other countries. Hughes said that it had not yet been communicated to the government of any country whatever, but, as Japan was the country most intimately concerned with the conference, he wished first to communicate this draft of his own, indeterminate as it was, to me for my information.

I thanked him for his kindness and asked whether he expected later to communicate the draft confidentially to all the powers participating in the conference.

The secretary answered that it was difficult in practice to exchange views with all the participating powers and would only complicate the situation, but he added that, when anyone asked his opinion about the agenda, he would have to communicate it.

6. The impression I received was that the secretary of state does not yet have any predetermined plan for presenting any scheme based on these agenda. ^AAt first sight the wording of the agenda seems to be short, but it must be said that the subjects comprised in it are almost unlimited. On the other hand it would be hard to enforce a definite negative restriction that specific questions cannot be brought in question, and I imagine that the secretary is afraid that if America, the sponsor of the conference, should try to enforce such a restriction, the arbitrary procedure would arouse the discontent of the other Powers.

According to recent reports in the newspapers the President intends to appoint Hughes, Lodge, Root and Underwood as the four delegates. ^(Estimate)
^(space)

Japan had the honor of being first to see the agenda, because she was most intimately concerned, but Hughes was willing to show it to any who sought to know. On second thought he must have decided that it would never do to let the Japanese think

(See Appendix I for list of delegates to the Washington conference.)

they were favorites, for he hastened to communicate the agenda to the other participants. In giving his own views Shidehara comments on that fact.

For the present conference Japan thinks she is comfortably situated, she is not in the position of having to be forced into unhappy concessions in order to obtain or retain something that she wanted dearly. She reckoned without Yap, however, as we shall see later. Rather this time she is strong enough to say "no" when it so pleases her. Shidehara warns Tokyo to use her ^{"does"} ~~power~~ warily lest she be accused of having something to hide. Most important of all he admits that the Shantung question and the twenty-one demands are not entirely and purely accomplished facts. He advises not attempting to restrict the agenda previously because of the arguments that would arise, but rather to wait the turn of events.

(space)

Washington-Tokyo, No. 608.

September 13, 1921.

Referring to my cablegram No. 595, the scope of the agenda proposed by the American government can be taken to afford opportunity to discuss almost all questions. In regard to this I offer the following personal opinions.

1. The Washington conference will differ from the Paris peace conference. At least in regard to Pacific and Far Eastern questions there are no special circumstances before our eyes which from the Japanese point of view absolutely need to be settled on this occasion. Of course in all questions it is desirable to establish cooperation of the powers, but if there are proposals of other powers which it is difficult for us to accept, there is no reason why we should hesitate to oppose them with decision, making our reasons clear. If Japan or any one country opposes,

attitude be just and equitable. If we refuse to discuss matters outside of the agenda for trifling reasons of procedure, I am afraid that we may happen to give the impression that we do so for some reason of bad conscience, and we would thus afford strong pretexts for anti-Japanese agitators.

2. By however strict a negative limitation the agenda may be regulated, there will be practical difficulty in preventing the raising of questions which we do not wish. Thus it is understood that the Japanese government has no objection to discussion of questions of principle, such as the territorial integrity of China and the open door. If China should wish to bring up the Shantung question or the twenty-one demands and should maintain that Japan's policy in regard to them conflicts with the principles of territorial integrity or the open door, and should refer to these questions in connection with the discussion of these principles, even if we assume that all the participating powers had approved the general principle of excluding from the agenda accomplished facts and questions of sole concern to particular powers, this would not be sufficient to prevent China from bringing up these questions.

After all, it is clear that the Shantung question and the question of the twenty-one demands are not in their entirety accomplished facts, and there is reason in the argument that, in so far as they concern the territorial integrity of China, the open door and the peace of the Far East, the great powers also have some concern in them. If it came to that point, it would become necessary for us to argue at least what points in these questions are accomplished facts or facts of sole concern to particular powers, and finally there would be no recourse but to discuss the essentials of the questions themselves.

3. Leaving aside for a while the advantages and disadvantages of our proposing under these circumstances some kind of agreement for negative

limitation of the agenda, I imagine that the American government is in the position of being entirely unable to agree to an agreement by part of the participating powers for such a limitation. Part of the present American government authorities have hitherto attached^K~~ed~~ the arbitrariness of some of the great powers at the Paris conference and have declared that this conference shall not follow the evil course of the other. In view of this, if any secret agreement is concluded beforehand among part of the participating powers, this policy will be inconsistent with what is hoped of the conference.

As a matter of fact, when the secretary of state on September 9 communicated the draft of the agenda to me, in reply to a question which I asked he replied after a moment of thought in a tone which showed that he did not contemplate at present communicating it to all the powers. In spite of this, it appears that after reconsidering the matter he decided to proceed to communicate it to all the powers. I presume that he is anxious to display a fair attitude towards all the participating powers.

It follows that if we propose a negative restriction of the agenda, the American government will oppose it or otherwise will inquire the views of all the participating powers. In either case I believe that there is no prospect of the proposal succeeding.

Having considered the foregoing points, I feel that it is impolitic to attempt too subtle restriction of the agenda and that there is no hope of attaining that purpose. If any country should endeavor to overthrow accomplished facts, or to bring before all the powers questions of sole concern to particular powers, I think that it would be proper for us to argue against its injustice and to make our position clear.

(space)
As late as September 26 England was still sulking and smarting from America's refusal.

As a consequence Under-Secretary Crowe was aspersive about the agenda America drew up

without Great Britain's assistance. He was loathe to point out to Hayashi ²²⁴~~that~~ ~~the~~

particular fault that he had to find other than that of vagueness. Yet one gathers from this interview that England's sympathies lay with Japan rather than China.

(space)
London-Tokyo, No. 1046.

September 26, 1921-

London-Washington, No. 411.

September 26, 1921.

On September 26 I had an interview with the under-secretary of the foreign office. I said that I would very much appreciate any information as to the views of the British government regarding the American proposals for the agenda of the Washington conference.

The under-secretary replied that the extreme vagueness of the proposals made it hard to ^mcomprehend their exact meaning. He criticised them as exaggerated and unbusiness-like, but said that Lord Curzon felt that in spite of these difficulties the British government should for a time withhold inquiries and wait for the expression of the views of Japan which was the country most interested in Pacific problems and which had made reservations as to the scope of the agenda at the time of accepting the invitation to the conference. It was desired to learn the attitude of the Japanese government but so far no report of this had been received.

(Note. Text from here on is very garbled and doubtful.)

I repeated my questions and found that there were points on which the British government wished to make reservations, but could not find what they were. During the discussion of my questions the under-secretary said that there were rumors that the British government was hesitating about proposing that the Pacific problems be postponed until after consideration of reduction of armaments, but the British government had not yet communicated any opinion on the agenda in any quarter. Much less had the report of the intention of submitting economic questions to the conference originated in the government.

When it came to devising means of limiting armament, the undertaking was very difficult. The government authorities were not optimistic about the results of the conference especially in view of the extent of the discussion of the subjects proposed

Finally I referred to the anxiety of Japan to clear away as far as possible all pending questions in order to promote the success of the conference, and I alluded to the present condition of China. The under-secretary said that those who knew the present state of China would hardly ask much of that country. This must not be forgotten in discussing Chinese problems in the Washington conference.

I inquired whether he supposed that the phrase "administrative rights" in the agenda proposals meant that it was desired to discuss the restoration of [Ed. Note. Possibly, extraterritoriality] and other national rights. The under-Secretary replied that in view of the actual state of China this would be no more than a question for debators.

During this interview the under-secretary repeatedly expressed the wish to know the intentions of the Japanese government, and promised that he would confidentially inform me whenever there were any new developments on the British side.

(space)

Japan accepted America's temporary agenda as satisfactory on October 13.

~~.....~~
Not every invitation desired was granted by America. France had been asked to

prevent piquing her, though she had comparatively little interest. Italy was bid merely

(F.T. int.)

because she belonged to the "big five" of the war and League of Nations circles. (See No.

398 above). Invitations to the premiers of the self-governing dominions as equals in

the Washington conference had been refused because of their standing in international

(F.T. int.)

affairs. (See No. 431 above). Hughes contemplated asking Belgium and Holland due to

persistent queries for bids. as early as July 27, though he refused Peru and all the

South American countries to prevent cluttering up the conference.

(space)

11/17/20
While calling on the secretary of state yesterday, the nineteenth, I asked him the meaning of the phrase at the end of his announcement of July 27 about inviting other powers also.

The secretary said that in fact invitations had first been ^{sent} informally to the five powers. The desire to receive similar invitations had been expressed by Belgium on the ground of its connection with the consortium and of its economic interests in China, and by the Netherlands on the ground of its possessions in the East Indies.

The American government had replied tentatively to each of the two countries that it might be invited after negotiations among the five powers. As yet, however, there had been no negotiations on this matter with Japan or any other power, and the secretary added he had no idea when the measures mentioned will be taken.

I inquired whether the desire for an invitation had been expressed only by the two countries mentioned.

The secretary replied that Portugal in a very indirect and informal way had also indicated a desire for an invitation, but he did not think this was necessary to consider.

I then inquired the truth or falsity of the report cabled by you of an invitation to Peru.

The secretary said he had never considered such an invitation. If Peru were invited, it would be necessary to invite the other countries of South America and of course of Europe. He thought that this would do no good, but would make a huge conference and would not help the progress of the discussions.

(spec)
Belgium's view of the conference is ably set forth in an interview the Japanese minister at Brussels had with Henri Jaspar, Belgian Minister of foreign affairs, in which the latter asked the former to intercede with America to secure an invitation. Belgium wished to partici-

pate because of its great interest in the reduction of armaments and because of its economic interests in China.

(space)

Brussels-Tokyo, No. 184.

August?, 1921.

Brussels-Washington, No. 9.

August 9, 1921.

~~Paris-Tokyo No. 1351~~

~~August ?, 1921~~

~~Paris-Washington No. 319~~

~~August 25, 1921~~

While calling on the Belgian minister of foreign affairs on August 7, I asked him whether the Belgian government had already received an invitation to the Washington conference.

The minister said that when the matter first became public, instructions were immediately cabled to the Belgian ambassador at Washington to inform the American government that Belgium hoped to be invited to the conference. The American government had replied that this was a conference of the five great powers solely, and Belgium could not be invited. The Belgian government had objected to this not only from dislike of recognizing the fundamental idea of the five great powers doctrine of the Versailles treaty, but because Belgium has repeatedly taken part in the supreme council, has immense interests in China which are involved in the Pacific questions, and has much interest together with France in the reduction of armaments. ^{he} We wish that Belgium might by all means be admitted to participation in the conference had again been communicated to the American government, but nothing had yet been heard from it. The minister would be inexpressibly obliged if, through the good offices of Japan, Belgium might participate in the conference.

(space) ~~Paris-Tokyo, No. 1351.~~

~~Paris-Washington, No. 319.~~

~~August ?, 1921.~~

~~August 25, 1921.~~

With regard to the desire of Belgium to participate in the Washington conference, as I reported in my cablegram No. 1070, the Belgian ambassador said that

as Belgium had thrown off its perpetual neutrality and made the Belgian-French military agreement, it had great interest in the question of limitation of armaments, but he did not allude to Pacific questions. The Belgian foreign~~er~~ minister the other day, while he was at Paris, also complained to me and said that his country was grieved that its wish to participate in the conference was not granted.

The formal invitations to England, China, Japan, France and Italy were sent August 12.

The American government felt that additional invitations could not be sent to other powers until the main guests had given their consent. Shidehara notified Uchida September 8 that he had given his written consent to invite Belgium and Holland, and October 4, Portugal. Invitations were sent to these three additional countries on that date.

.....

One might expect the uninvited guests to be skeptical of Robin's wake merely because they had been left out, but the invited guests were likewise not at all sure of its success. What was China thinking, the country most concerned with the Pacific side of the conference? Was it completely somnolent and indifferent to what Fate had in store for it, or was it alive to its opportunity to retrieve some of its lost power and glory?

Strangely enough the latter was the true state of affairs if the Japanese minister, Torikichi Obata's, account is to be trusted. Chin-Yun-peng is premier and Yen Hui-ching, Dr. W. W. Yen, is his minister of foreign affairs. Choo Shi Tan is unidentified. Prior to June 30 members of the "China Association" committee drew up a petition in connection with the renewal of the Anglo-Japanese alliance, which they presented to Great Britain request-

ing them to enlarge the alliance to admit France and China. This may have been the basis for the rumors in the Japanese newspapers mentioned in Obata's cable. The message follows:

(space)
Peking-Tokyo, No. 576.

August 1, 1921.

Tokyo-Washington, No. 384.

August 24, 1921.

(Note. Text is seriously garbled throughout, but the general outline of the thought is clear and only minor details are left somewhat doubtful.)

In view of the importance to us of the attitude of China towards the Pacific conference, since my return to my post I have given special attention to investigating it, with the following result:

Chinese government circles are paying much attention to the Pacific conference, and are taking the lead in discussing Pacific problems and in stirring up public opinion. They wish to control the attitude of the people and at the same time to support the delegates of the Chinese government. They have recently been inviting banking and business circles and discussing the matter with them. Men connected with Peking university have organized a circle to study Pacific problems, and and are forming an advisory and auxiliary body for the Washington conference. It is reported that bodies are also being organized at Shanghai and other places to discuss especially questions connected with places along the coast. You are perhaps already aware from the newspapers, etc., of the situation that, correlative with the progress of the examination of the problems within government circles, there is a popular discussion which will be ready to support it.

This means in short that both the government and the people will be prepared to raise an opposition whenever any question inconsistent with the sovereignty and the dignity of China is presented in the conference. Outside of this policy, it appears that no decisions as to concrete details have yet been reached. Judging, however, by the utterances of the minister

of foreign affairs reported in my cablegram No. 562 and by the similar expressions of Premier Chin on August 17 and of Choo Shi Tan on the eighteenth, it will not be hard to gather intimations.

It is reported that in the council of state on August 18 it was resolved to present summarily to the Pacific conference the three matters of the open door, the abolition of spheres of influence and the revision of unequal clauses in treaties. Among these points, the minister of foreign affairs during my interview with him on August 12 particularly asked my opinion about the abolition of spheres of influence and hinted that this was one matter which he expected to be brought up by China in the Pacific Conference. In the light of this fact, I think that it may be supposed that the Chinese government probably expects that its fundamental policy will be to present to the conference these points which are said to have been decided on by the council of state on August 18 (as the natural result of the presentation of these three questions would be the abolition of [Ed. Note. Possibly, special privileges] and of the liens of each country, I think that it is anticipated that, by reason of the number of the foreign countries concerned, it will be difficult for the proposals to pass, and I think that China will not advocate them strongly) and the question of the nationalization etc., of foreign-owned railways.

In view of the extraordinary importance of these questions to the future destiny of Japan, it will be necessary for the Japanese government to assume as a certainty that these three points will be discussed, and to study them thoroughly in advance and to determine a clear policy with regard to them.

The other day, Choo Shi Tan indicated that it was his personal opinion that the question of the twenty-one demands and the question of the restoration of the South Manchurian railway would be discussed. It was said that it would be proper for Japan to consent to the restoration of the South Manchurian railway, because it would be impossible to finance the railway with foreign

capital and for lack of [Ed. Note. Possibly, skilled engineers]; in practice the railway would be left in the control of Japan (Note. This sentence is thoroughly|obscure through garbling and the translation is merely a guess.)

In the light of this statement, it must be conjectured that there is an underlying purpose to claim the restoration of other lease rights and the South Manchurian and other foreign-owned railways as a practical application of the principle of the open door. This is correlative with reports recently transmitted from American quarters of a plan to internationalize Chinese railways (particularly foreign-owned railways) and I think therefore that special attention should be paid to ^{this} _{the}

During my interview with ^{the} foreign minister on August 12, the latter pointed out that Japanese newspapers were printing reports that the Pacific conference originated in a Chinese movement, and explained that this was not a fact. He said that the proposals to be made by China in the conference would merely be important questions of principle, and that foreign countries would not be made to participate in direct questions with Japan. He spoke as if it were not intended to submit the Shantung question to the conference. During our interview of August 1, he indicated that it was desired to submit even such questions as that of the wireless telegraph. There is an inconsistency here.

I think they may have a scheme that even in questions which China itself will not present, it will wait for proposals from America or some other foreign country, and use the opportunity to accomplish the sovereignty of China. In regard to this point, it is inevitable to imagine that they have some previous understanding with American quarters.

In short, I think that at the present time the superficial words and ideas of the Chinese government are easily swayed by [Ed. Note. Possibly, students] and the declarations of the Government must be taken with some discount. I shall hereafter pay every attention to penetrating the attitude of the Chinese

towards the Pacific conference and shall report again, but for the present the results of my observation up to date are substantially as above.

With regard to the selection of the Chinese delegates, it appears from what Premier Chin and Foreign Minister Yen say that no decision has yet really been made. On August 18 Choo Shi Tan told me that the delegates had not yet formally been decided on, but public opinion was inclining towards Ku Wei-Chun (Note. The Chinese Minister at London - evidently Wellington Koo). He said, however, that Ku Wei-Chun would not be a suitable representative at a conference to discuss Far Eastern and Pacific problems, because in spite of his familiarity with British and American conditions he was not too well informed on Far Eastern affairs. Yen should therefore head the delegation ^{and} ~~and~~ the other delegates were under consideration, but no decision had yet been reached. (Note. This last paragraph somewhat doubtful).

(space)

Henry Wickham Steed, editor of the London Times, controller of popular opinion through the editorial columns of his paper spoke freely to André Gerand^U, or "Pertinax", foreign editor of L'Echo de Paris, when he was in Paris as to the feeling in England concerning America and Japan. Pertinax relayed these to S. Ashida, second-secretary of the Japanese embassy, who duly sent them to Tokyo. Steed seemed to see a gradual alignment of white against yellow for the domination of the Pacific.

(space)

Paris-Tokyo, No. 1428.

October 1, 1921.

Paris-Washington, No. 352.

October 12, 1921.

Referring to cablegram No. 1069 from the ambassador at London to the minister of foreign affairs, the foreign editor of L'Echo de Paris talked with Steed on many occasions during the recent stay of the latter in Paris, and he told Ashida what purported ^{to be} ~~the~~ the words of Steed. These words practically coincide with the above-mentioned cablegram, and for your

information I supplement herewith the following points.

1. Steed was pessimistic of the future of Japanese-American relations. Not a few among the influential men of America were devoting their utmost energy to the establishment of supremacy in the Pacific. American naval circles were conscious that the present naval power of America was not as yet strong enough for this purpose; but if after a few years its strength should be perfected, then the attitude of America would be franker. On this point British naval authorities were entirely of the same opinion as he.

2. According to Steed's opinion, a part of the British cabinet was for casting aside the indefinite attitude heretofore held by Great Britain in regard to Japanese-American questions, and for making genuine concessions(?), but the dominions would not hear of this, and, in the event of an actual break between Japan and America, Great Britain through pressure from the dominions would even have to give support to America. There were some who referred to this point and argued that it was one way of maintaining peace. He saw that this opinion was of late gaining ground.

3. It would seem that since May there were secret negotiations between Great Britain and America in regard to the convening of the Washington conference, and some seemed to suppose there were petty complications between Great Britain and America, and that America thought that Great Britain had made up its mind to take the position of principal sponsor of the conference.

On July 10, Harvey, the American Ambassador, called on Lloyd George at his Chequers villa, and delivered the invitation of the American government to the conference. Harvey is said to have been extremely excited at that time. A few days later the Times published an article attacking Lord Curzon, and this article, he said, was the result of the writer having been incited by a conversation with Ambassador Harvey.

(Note. Badly garbled text.)

Voices of Italy added to the pessimistic dirge throughout the world as to prospects of genuine success. Some emanated from England, some from the American embassy at Rome and some from native sources. Kentaro Ochiai, ambassador, sent their messages to Tokyo.

(opac)

Rome-Tokyo, No. 296.

October 1, 1921,

Rome-Washington, No. 39,

October 13, 1921.

At this time when the Washington conference is gradually drawing closer, many of the newspapers in Italy are constantly publishing pessimistic articles, which are mainly communications from England. These are unanimous in saying that, if this conference does not succeed, the relations afterwards between the two countries will inevitably be in greater danger than ever.

An informant of our Embassy states that he was told by an informant of the American Embassy here that he could not be hopeful of the result of the Washington conference for reduction of armament. British and American views would probably not coincide. That Great Britain would conspire with Japan was evident from the British government's request that the Panama Canal question be discussed at this conference, a question which had nothing to do with armament reduction or Pacific questions, which were the subjects for discussion at the conference.

Again, in a conversation our informant had with Baron Romano Avezana, formerly Italian Ambassador at Washington, he states that there was no doubt that Great Britain with her possession of important points in the Mediterranean constituted a great future menace to Italy. Italy's salvation at such a time would be in America alone. Harding's invitation to an armament conference could be called a very clear-sighted measure. If successful, America would achieve the distinction of being the first among civilized countries to win the laurels as champion of world peace.

If the conference should end in failure, it would be proclaimed that Harding tried to avoid War, but his efforts had been shattered through the union of Europe and Japan; preparations for war would be hurriedly perfected, and within three years from now she would fight Japan.

Also, our informant spoke with Philip Marshall Brown, American delegate to the international juristic (?) association which recently met at Rome. Mr. Brown stated: "We shall do all in our power to prevent war with Japan's domination of China. Japan has shown herself not backward in accepting the open door policy, but she cannot quite be depended upon. We are hoping for the restoration of Port Arthur, Manchuria and Shantung. If Japan should submit to reason, she will acquire great abstract benefits; but should she not do so, we shall have to take other measures against the monopoly by Japan of trade and free access in the Far East."

^{Giuseppe}
~~Then General Garibaldi told our informant that the Washington conference~~
would after all only serve to hasten the inevitable war between Japan and America.

(space)
Time passed swiftly. All the preliminary planning was finished. Various countries, when sounded out, had signified their willingness to confer when formally invited. The invitations were ~~only~~ sent and accepted. Other nations had scrambled for bids. Ideas for precursory meetings to discuss part of the problems or even what problems the main show should consider were discarded. The ticket of events for the big show was drawn up. Policies were decided, delegates selected and technical experts assigned. Thousands of words of official statements as to conciliatory attitudes had been uttered for the press corps all over the world.

When things looked brightest for the triumph of the peace-loving party in Japan,

Premier Takashi Hara was assassinated November 4, 1921. The Japanese delegation was thrown into confusion as to the desire of the new premier to pursue the aims and carry out the conclusions reached by the previous administration. Uchida directed the government until the selection of Baron Korekiyo Takahashi, formerly minister of finance, as premier. Thereupon, Uchida resumed reins of the Foreign Office and Takahashi continued as minister of finance besides acting as minister of the navy in the absence of Admiral Tomosaburo Kato, minister of the marine. The other plenipotentiaries from Japan were Shidehara, Prince Iyesato Tokugawa, president of the House of Peers, and Masanao Hanihara, vice-minister for foreign affairs, who replaced Shidehara at the council table when he became ill. (F.T.M.T.) (For a full list of delegates and advisers see Appendix I.)

In this first round of the diplomatic joust it was a draw between Shidehara and Hughes. Certainly Hayashi and Curzon were a poor third and a bad fourth respectively in comparison. First, Curzon wanted America to sponsor a conference on the limitation of armaments and to have it in America. Then he got the bright idea that a conference on the Pacific question with America and China would be a slick way out of the unhappy Anglo-Japanese alliance, and, of course, since the dominion premiers were there, it should be in London, afterwards, - that it might be held anywhere in America provided it was held and certain matters settled before the arms discussion began.

Hayashi likewise thought the conference a brilliant idea as an opportunity for Japan to subdue the militaristic element at home and sided with Curzon.

Though the President and Hughes were a long time taking definite action as to holding

an arms conference, they decided too suddenly on the Pacific conference; that is, before they were thoroughly prepared to answer all questions as to intents and purposes. But before giving Hughes all the credit for playing his hand his own way and taking all the tricks, one must realize that he had the secret messages of London, Tokyo and the embassy before him, that he knew all the other fellows' cards. He knew how much he could refuse Curzon without having him throw up the game and he knew what he had to concede to Japan to keep her in it. With due prompting from Shidehara he realized the necessity of having a definite program, of announcing it, and of allowing the delegates to prepare thoroughly for all contingencies on the sore spots of the Far East. Yet he was wise enough not to antagonize one quest by indiscreet promises to another as to what should be accomplished and what untouched. Knowing what he knew, all he needed was patience, a poker face and the ability to insist on his own way.

Shidehara wanted Japan at the Washington conference, but not at any preliminary conference. He insisted on knowing the agenda, and he wanted arms limitation to be discussed first. It was due to his efforts that Hughes consented to get down to facts. If one discounts the advantage that Hughes worked under in knowing the reactions of Japan and the handicap of Shidehara in not knowing those of America and England, perhaps the Japanese is the better of the two.

172 (52 pages) (104)
154 (24 pages) (51)
129 (24 pages) (117)

- Chapter 5. Faulty Dramatic Construction
6. When Is an Island Not an Isl
7. The Soubrette's Revenge.

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Part II
Limitation of Armament

Chapter 5
Faulty Dramatic Construction

Now that the delegates have gathered from the four corners of the earth and have payed their respects to America's Unknown Soldier, who was buried at Arlington with pomp and ceremony November 11, 1921, it behooves us to let poor Cock Robin rest in Peace. From now on the assemblage of nations is more akin to a five ring circus than an Irish wake.

When the curtain went up on the galaxy of stars gathered at the Continental Memorial Hall on Seventeenth street in Washington, every one present realized that a drama would soon unfold. But they reckoned without the playwright, Charles Evans Hughes. That gentleman, when duly chosen master of ceremonies, as leader of the Home team, proceeded to cast all rules of play construction from him and forget promptly the rudiments of presentation.

Even the rankest of amateurs knows that usually most of the minor characters of the plot have been presented to the audience and given their brief moments in the spotlight, their few lines of introduction and explanation before the hero makes his entrance. Even the sorriest dilettante would know better than to kill off the

villain and marry the heroine in the first ten minutes of the play, for he would know that the marital squabbles and troubles with the in-laws would be only so much anti-climatic balderdash.

Yet one could hardly expect much more from a man who intended to present more diverse subjects and achieve more fearful marvels than could be found in a combined Barnum-Ringling production. So elated was he with annexing Curzon's proposed Pacific conference from under the latter's aristocratic nose, he quite ignored the soubrettes and light heavies who were preening themselves to speak their little pieces and tell in grandiloquent generalities just what they would do for Mr. Harding's favorite child, "disarmament".

Not ^ocontent with being master of ceremonies he had to be hero and hog the spotlight for the greater part of the first act, relegating the others in the cast to the part of the chorus ^ttemporarily. No wonder France refused to star in the role of land disarmament. No wonder the delegates emerged from a limitation of arms conference with more submarines and more aircraft carriers than they had when they entered. No wonder the stock arias had to be sung about submarine warfare and the use of gas. No wonder Siberia was omitted from the plot. And no wonder that the show degenerated into a five ring circus with sideshows.

In the main rings were scheduled naval armament, new agencies of warfare, land armament, China, and Siberia; but the star performances were really the Four Power

Pacific accord, the Five Power Naval Limitation treaty, the Submarine and Gas Warfare treaty, the Nine Power Open Door treaty, and the Chinese Tariff accord. Shantung and Yap were transferred to side shows, and Siberia was removed from the billing.

In this part we are immediately concerned with the naval and submarine accomplishments and the lack of them.

One of the most important results of the Washington circus was the signing of the limitation of armaments treaty by the five great ^anavy powers, but they did not sign on the dotted line until they had asserted their own personalities and put sufficient obstacles in the Hero's path to wear his patience and that of the world's as well. His victory lay in their acceptance of his arbitrary 5-5-3-1.75-1.75 ratio for capital ships, the first part of which was the bombshell that he exploded in the opening session before giving his guests a chance to say what they could do without.

Worse yet, in the opening session, he chose to ignore France and Italy considering them minor powers, announcing diplomatically of course, that he would tend to them later when the major powers had accepted and definitely settled their business. The only ratio suggested was for the Big three on the sea, England, Japan and the United States, with Japan a poor third. No wonder the soubrette glared, no wonder she stamped her pretty French heels, -no wonder she threw ^wa monkey wrench in the works. Hughes was evidently not a ladies' man, or he would have known that he could have had his

way easily if he had just been a little more chivalrous to the "fayre ladies".

Japan, of course wanted a navy program commensurate with her dignity as a world power, but she was amenable to reason for good-will's sake. Moreover, she didn't suffer from a Latin temperament. The delegates to the conference had been instructed by former Premier Hara (and minister of Foreign Affairs Uchida to work for an eight-eight schedule if possible as they considered this necessary for adequate defense with things as they were promising to be. But Baron Kato, Prince Tokugawa, and Ambassador Shidehara were to be permitted to modify this if they could obtain a proper ratio with America and Great Britain and if the situation in the Pacific were not to be substantially changed. The "eight-eight schedule" called for ~~eight~~^{ght} new dreadnoughts and eight new battle cruisers begun in 1916 and to be completed in 1928. Of this program only the first line Nagato and the Mutsu had been completed of 33,800 and 35,000 tons each.

Though the text of the following communication is badly garbled and the desires and intentions of the Japanese concerning certain proposals is not at all clear, certain things are very evident. Tokyo would not give up conscription, but she would ^(faint) lower her numerical strength of 320,000 men for the army if it became necessary through mutual concession. She did not want existing naval strength to be included in the scope of limitation, but rather, definite agreements as to unfinished construction already planned and possible future building. And note, most important of all, Japan

(According to The New York Times the peace time strength of Japan's army is "about 230,000." This may have been a transcription of 230 to 320 by the typist in this office.)

wished to determine the total tonnage for cruisers, ^{for} auxiliary craft, such as torpedo boat destroyers, for submarines and for aircraft carriers. Alas, only the capital ship tonnage and the aircraft carrier tonnage was set, and the blame for the inability to agree rested solely on the shoulders of the soubrette.

(space)
Tokyo-Washington, No. 537.

October 20, 1921

(Note. Text is badly garbled.)

~~Very Confidential~~

.... Heading No. 2. Limitation of Armaments Question.

1. With regard to the standard of army and navy strength, Japan has been working to establish the strength necessary for national defence in any contingency, but, if the participating powers in a spirit of mutual concession shall make progress with the consideration of this question, Japan will not necessarily persist in this. The program at present in effect is for 320,000 men, but if necessary Japan would not refuse to modify this. The ^S basis of the present navy program is the eight-eight schedule, but Japan will not refuse to reduce this, provided that it maintains a proper ratio with America and Great Britain and that the situation in the Pacific is not substantially modified.

2. In determining the scope of the limitation of naval armament, not merely should there be an agreement about future construction, but unfinished construction under established programs should also be included in the programs, while existing strength should mainly be excluded from the scope of the limitation.

3. With regard to the manner of limiting naval armaments, we shall make and support the following proposal, but depending on the trend of the conference we shall not necessarily persist in it: (a) with regard to the distribution of and ships not

(b) determine the total tonnage for cruisers, torpedo boat destroyers, submarines, airship tenders.

An agreement could be made on the basis of the maintenance of the status quo.

7. The system of conscription cannot be given up.
(space)

The curtain went up. President Harding gave his address of welcome and was gone before the soubrette had quite recovered from the fact that she was not sitting on the host's right hand, or even his left, but away around the corner of the table, affront No. 1. Hughes was unanimously elected chairman and launched at once into his starting^l proposal. In brief it amounted to the following: ●

All competitive naval building should cease for ten years;

All proposed^o capital ships should be scrapped within three months from the signing of the agreement,- these were thirty for America, an aggregate of 845, 740 tons; 19 for England, an aggregate of 583, 375 tons, and 17 for Japan, an aggregate of 448, 928 tons, leaving a 5-5-3 ratio for the three respective countries of ships and tonnage to the following amounts 18,- 500, 650; 22,-604,450; 10,- 299, 700;

No capital ships hereafter should exceed 35,000 tons,- a capital ship, by the way, was any war vessel whose displacement exceeded 10,000 tons, or which carried a gun of more than eight inch caliber;

The life of a capital ship was to be considered twenty years, and the old must be destroyed when the keel of the replacing vessel had been laid four years;

But there was to be no replacement building for ten years;

And no naval building for foreigners during the life of the agreement;

Moreover, no combat craft should be bought, given, or sold.

He actually named the ships that were to be scrapped and those that were to

be kept by each nation. They appear in the accompanying table:

Table No. I Ships to be Scrapped

By America: no., 30: Tonnage, 845, 740

First Line Battle Ships	Tons	Second Line Battle Ships	
Colorado	32,600	Maine	12,500
Washington	32,600	Michigan	16,000
West Virginia	32,600	Missouri	12,500
South Dakota	43,200	Virginia	14,948
Indiana	43,200	Rhode Island	14,948
Montana	43,200	Louisiana	16,000
North Carolina	43,200	Nebraska	14,948
Iowa	43,200	New Jersey	14,948
Massachusetts	43,200	Georgia	14,948
		Connecticut	16,000
Battle Cruisers			
Lexington	43,500	Minnesota	16,000
Constellation	43,500	Kansas	16,000
Saratoga	43,500	Vermont	16,000
Ranger	43,500	New Hampshire	16,000
Constitution	43,500	South Carolina	16,000
United States	43,500		
618,000		plus 227,740 = 845,740 tons	

By England-- All predreadnoughts, all second line battleships, and all first line

*by dent
of
double
space*

227,740

up to the King George V: No., 19: Tonnage, 583, 375.

By Japan

Abandon plans for Kii, Owari, No. 7 and No. 8 battleships, 45,000 each.

Abandon plans for No. 5, 6, 7, 8; 41, 400 tons each, battle cruisers.

Capital Ships: scrapped

Battle Cruisers: *scrapped*

~~Mutsu 35,000~~

~~Amagi~~

~~42,400~~

Mutsu 35,000

Amagi

42,400

Tosa 42,250

Akagi

42,400

Kago 42,250

Atago

42,400

Takas

42,400

118,500

169,600

Predreadnoughts

Second Line Battle Ships

Kurana 14,600

Aki

20,450

Ibuki 14,600

Satsuma

20,100

Ikoma 15,150

Kashima

16,900

44,350

Katori

16,450

Mikasa

15,362

Hizen

12,700

Iwami

13,516

115,478

Total: 17 ships, or 448,928 tons

(space) Baron Kato, who was to attend the meetings of the committee on naval armament,

approved Hughes' speech on the whole and was determined to take the necessary decisive steps to meet the conditions wholeheartedly. He foresaw the difficulties which were to arise due to the necessity of the delegates having to turn to Tokyo for instruction on the smallest details.

When the newspaper correspondents came to learn Japan's reactions to the opening session, Kato characterized the American proposal as "a most wise decision," and

thought it could be made the basis for discussion. He promised that Japan would

"as far as she was able, work for the realization of the aims of this proposal."

He stated that he was not dissatisfied with the general principle that Japan have a navy inferior to the navy of Great Britain and of America. He cabled the foreign office the next day.

(apoc.)

Washington-Tokyo, Conference No. 18. November 13, 1921.

~~Very Confidential~~

1. Hughes' speech at the formal opening of the armament conference is given in cablegram No. 12. For some time past there has been much discussion in the American press of the question whether the conference should first discuss the armament question or the Pacific and Far Eastern questions. In his speech Hughes particularly referred to this, and said: "Although the American government is proposing that the conference shall immediately consider the armament question, this does not mean that we must postpone the examination of the Far Eastern questions. These questions of vast importance press for solution. It is hoped that immediate provision may be made to deal with them adequately" etc., etc. He proposed that committees be organized for this purpose. Thus under the present conditions, there will finally be a parallel discussion of the armament question and the Pacific and Far Eastern questions, but, even if there should be such a parallel discussion, it is noted that the American government is devoting its main effort to the reduction of armaments. In this case, Plenipotentiary Kato will attend the committee on armaments and Plenipotentiary Shidehara the committee on Pacific and Far Eastern questions.

2. Hughes' speech was listened to very attentively from beginning

to end and frequently evoked enthusiastic applause. Especially when the secretary after describing the American navy program stated that the United States was willing, in the interest of an immediate limitation of naval armaments, to scrap fifteen capital ships now in construction, the whole assemblage rose to their feet and the applause and cheering did not stop for some time (the vehement applause of the congressmen and senators who were in the hall attracted especial attention). A deep impression was made on everyone.

It is needless to say that the course of the American government in making such a concrete proposal, publishing it at the beginning of the conference and declaring its views is based on a determination to carry through its purposes. I think also that the substance of the proposal is logical in the main, and I am convinced that the Japanese government must determine to meet it with a decisive step, but it is impossible to tell what difficult points this question may later develop. If in such a case we must be controlled each time by your instructions, we might lose opportunities and cause serious disadvantage to the position of Japan. We therefore request authority to take proper provisional action in the spirit of the instructions which have previously been given the plenipotentiaries.

(space)

Even Ambassador Hayashi at London had only good to say of the American proposal. But note that he as well as the British thought this was a conference for the reduction of world armament, not merely the limitation and the limitation upward at that. Hayashi was delighted not only at the thought of a reduction in armament, but also at the thoughts of all the good things that could be bought with the money saved. Already he was dreaming as would any housewife over new transportation facilities, a boom in industries and the flowering of educational projects.

Inter~~national~~ improvements unfolded before his inward eye. He urged his cabinet to decide favorably.

(apace)

London-Tokyo, No. 1175.

November 14, 1921.

London-Washington, No. 463.

November 14, 1921.

Newspaper comment here regarding the American proposals for the limitation of armaments is as follows: As stated in cablegram No. 1174 (Note. plain text, summarizing favorable comment of British press), the attitude of the leading British newspapers is in the main favorable to these proposals. There is apparently some apprehension felt, however, regarding how it will be received by Japan. As a result of cable reports recently received from Washington to the effect that Plenipotentiary Delegate Kato has said that he agrees in principle with the proposals, I feel that these doubts will cease.

On the fourteenth, I called upon the American Ambassador and expressed my approbation of the American attitude.

There is, of course, room for some changes in detail in the American^{an} plan, but, as the United States was the first to take such decisive steps as to propose the reduction of world armaments, the best policy appears to be to approve the whole immediately from a general point of view without making too many technical reservations.

From an economic standpoint, the reserve funds which would be available as a result of the reduction of armaments in the three countries could be used for internal improvements in the various countries, such as transportation facilities, education and all kinds of industries. It is urgent that there be a change in the present policy of military preparations, that in the future the national policy should be one of national development and that steps should be immediately taken to bring this about. Although this is evident to anyone and adds nothing new to the situation, I

venture to express my sincere conviction on the subject and trust

that the cabinet council will decide in that sense.

(apart)

In spite of Hayashi's endorsement, the Japanese naval experts had a plan of their

own, or rather three plans; the middle plan of which is^S set forth in part as follows:

(apart)

Washington-Tokyo, Conference No. 28, ~~October~~ November 16, 1921, ~~at~~

~~Very confidential.~~

...As our middle plan concerning the American navy limitation proposal, it has been decided to advocate : 1. Ten to seven as the minimum ratio of American-Japanese strength, .. 3. Equality of airplane carriers ...

In this situation, we are sure that there is nothing else to do but to take this attitude. But it is desired to have it understood that dependent upon the above cases it may be necessary to make further amendments and changes.

(apart)

Apparently then the demand for the ten-seven ratio originated with the Washington crowd and Tokyo did its best to stir up sentiment in its favor as we learn later. The committee on armaments consisted of Hughes, Arthur, Balfour, Aristide, Briand, Baron Kato, Carlo and Schanzer. Shortly after the Japanese plenipotentiaries decided to hold out for a seventy per cent ratio, the news leaked abroad.

The Japanese newspaper men in conclave decided that Japan's insistence on this ratio would antagonize public opinion and hinder a satisfactory solution of all Pacific and Far Eastern questions. Therefore, they decided, something should be done about it. The⁴ resolved to petition their delegation in a round robin letter to let the matter drop.

Baron Kato got wind of this and summoned all the scribes to meet him early on the

afternoon of November 17. There he told them in Japanese that seventy per cent was absolutely necessary for national defense according to the naval men. Something happened between that interview and a few hours later in the afternoon. What could it have been? A message from Tokyo, or did Kato lose his nerve? When the American and foreign correspondents called at the regular press interview Baron Kato changed his tune to sixty per cent plus, as far as capital ship ratio went, and demanded but little less than equal strength in auxiliary craft which he admitted was not submarines and which we know from the preceding message was aircraft carriers. This set the pitch for the soubrette later.

The day before, a demand for a seventy percent ratio had been forecast by the Kokumin Shimbun and the Hochi Shimbun claimed that they ^{people} wanted to keep the Mutsu instead of the Settsu and wanted to add the Kago and the Tosa for a total of twelve capital ships instead of ten. These feelers were not well-liked by the American press who with one accord promised that America would not accept them.

(apace)

Washington-Tokyo, Conference No. 49,

November 19, 1921

With reference to the American proposal for the regulation of naval strength, on November 15 the New York World published an article to the effect that Japan would make a counter-proposal, substituting the ratio of 10-7 for 10-6. The New York World and ^{Philadelphia Public} the Ledger both ran articles to the effect that if Japan should bring forward such a proposal, the United States would not agree.

As soon as the rumors spread that Japan would present a revised proposal to the committee, the Japanese newspaper correspondents wished to adopt a resolution that the presentation of such a proposal would have a bad influence upon the negotiations on the Far Eastern questions and that it was inadvisable to present it. If it should be necessary to present the revised proposal, they thought it should be agreed to reduce the tonnage allotted to the United States and fix the ratio between the American and Japanese navies at 9-6.

In view of the publication of these reports in the newspapers here, Plenipotentiary Delegate Kato gave an interview to Japanese newspaper correspondents, in which he laid great stress upon the fact that the seventy per cent ratio was absolutely necessary for the national defense of Japan and that this was the policy which had been already laid down by the naval authorities.

On the other hand as several inquiries had been addressed to him by foreign newspaper correspondents also, Plenipotentiary Kato again on the same day called together both American and foreign correspondents and issued a statement to them as follows: "With reference to the strength of Japan's navy as compared with that of the superior naval powers, Japan considers that the other interested countries should agree that because of her geographical position she should maintain a proportion in general tonnage slightly greater than sixty per cent, and that in auxiliary draft of a strictly defensive character she should approximate the ratio of the other nations."

In reply to the interrogations of correspondents with reference to the above mentioned auxiliary vessels, he made it clear that he was not especially concerned about submarines, but he avoided entering into a detailed explanation.

The newspapers on the eighteenth all featured this interview on the first page. The supposition was voiced in not a few cases that by the expression "auxiliary craft" was meant "auxiliary cruisers".

The New York World published an article, setting forth the view that the United States could not accept this revised proposal and that in the view of the Naval experts upon the assumption that the Japanese fleet was operating in territorial or adjacent waters, sixty per cent, was sufficient for national defense and seventy per cent, was superfluous. The New York Herald gave as its view that the revised proposal of the Japanese was a shrewd move made with the idea of trading for advantages to Japan and did not necessarily mean final opposition to the sixty per cent, ratio.

The Washington Post said editorially that Japan from the standpoint of national defense had frankly announced the naval strength necessary to her and that, as this revised Japanese proposal was of course closely related with the manner in which the question of the Far East was settled, it could not be called a final proposal. As it was based upon the spirit of the American proposal, it made it easier to reach a settlement of the problem of the regulation of naval strength.

Public opinion is evincing a tendency not to accept the revised Japanese proposal.

(apare)

The Washington correspondent of the Jiji Shimpō harkened to the words of Baron

Kato and sent home a story that a secret committee was ^C considering Japan's newest proposal

of raising the ante by keeping the Mutsu' and the Aki' to give her twelve ships and a ratio

of seventy per cent plus. (The Mutsu was a 35,000 ton ship built partly with contribution,

of Japanese school children. It was named for the great Meiji emperor, Mutsuhito, grand-

father of the regent crown prince, Hirohito. It was begun in June, 1918 and was to

be commissioned in December, 1921. It was launched May, 1920, for a trial voyage of

6,500 miles which it completed October 24, 1921 according to one report. It was said to be commissioned with men and officers November 12 and ready to be admitted to the first line December 1, 1921 according to another. The Aki was a second line battle ship of 20,450 tons.)

This news article immediately gave the technical experts at home some bright ideas. They wanted the ratio settled in this way, but they offered three alternatives if bargaining had to be done. ^(first to follow after) (The Settsu was a second line battle ship of 21,400 tons.) ⁽²⁾ The North Dakota and the Delaware were first line battle ships of 20,000 tons each.) Tokyo adopted the seventy per cent ratio as her own and wanted the Mutsu and then some.

(space)
Tokyo-Washington, Conference No. 30.

November 19, 1921.

News report. The Jiji Shimpō published an article from its Washington correspondent of November 17 as follows:

The Japanese proposal to make the ratio between the Japanese and American navies seventy per cent and a fraction does not demand that the United States destroy any ships, but asks for the retention of the battleships Mutsu and Aki. It was today referred to a secret committee. This proposal makes the total number of Japanese capital ships twelve and without increasing the total tonnage makes possible the organization of an 8-4 fleet. This proposal was not touched upon today but the United States will make it the basis for the presentation of a counterproposal.

The Japanese technical experts consider this proposal of prime importance and hope that it will be the basis for the final decision. However, in case it becomes necessary to make another proposal, as seems probable from the attitude of the United States, there are three alternatives which naturally might be

followed, namely:

(1) To retain the Mutsu and scrap the settsu¹ and demand that the United States scrap its six ships, making the Japanese-American ratio seventy-five percent.

(2) To admit the American ships in course of construction, retain the Japanese Mutsu and Aki, and scrap the American ¹Delaware and ²North Dakota, thus making the ratio slightly above seventy-two percent.

(3) Varying slightly the second alternative, to require only the scrapping of the American Delaware, thus making the ratio approximately seventy percent.

Our technical experts, however, have firmly decided to claim at least seventy percent and there is no question of keeping the Mutsu without any other change and making the ratio sixty-six percent.

(space)
On November 18 a spokesman^K for the Japanese delegation let it be known that Kato would ask for the ¹⁰⁻⁷ratio and that it was equality of airplane carriers that they wanted. Moreover, he asserted the Mutsu, the mystery vessel, had been commissioned November 12 and would take its place in the first line December 1.

The Japanese were trying to claim exemption from the scrap pile for their beloved ship as a completed vessel and therefore one to be included in the status quo estimate of strength on which Hughes said he based his ratio estimate. The experts didn't get together on the figures, for others said five days later that it had been commissioned October 20 and had steamed three thousand miles.

Hughes and America at large turned a deaf ear to Japan's amendments and offered stubborn opposition to all suggestion for change.

(space)
Washington-Tokyo, Conference No. 56.

21
November 21, 1921.
^

In regard to my cablegram No. 49, Japan's proposed amendment appears to have attracted much attention everywhere.

On the occasion of Secretary Hughes' interview on November 18 with American and foreign newspaper correspondents, one of the correspondents asked the secretary of state's opinion on the Japanese proposed amendment.

With the promise that his name should not be quoted, the secretary stated in effect, in very carefully guarded words, that the American proposal gave fair consideration to the present naval strength of each country, that the proportion of tonnage allotted to each country was settled on this basis, and therefore in regard to all proposed amendments ^{were made} ~~to make~~ a substantial change in this proportion, America would put up a strenuous fight.

The newspapers of the nineteenth published the substance of these words of the secretary of state as the views of America, and they were all one in declaring that the conference had encountered a barrier. A large number of them carried the argument that, while Japan at first approved in principle the American proposal, the basis of which was the present naval strength of each country, that she should now overturn this principle was a matter of grave concern in the progress of the conference. Some of the papers stated that this anxiety was felt not by America alone, but also by part of the British plenipotentiary delegation.

Again, The Washington Post stated that if the Japanese proposal stopped at an increase of only one warship, opposition would not be very great. In general, however, the tone displayed has been one of opposition to our proposal, but except for the editorial in The Washington Post mentioned in our cablegram No. 49, none of the papers have published editorials on the subject.

(space)
It was the duty of the minor officials of the delegation to keep their fingers on the

pulse of American public opinion as revealed in the press and to relay reports of the patients

condition back to Tokyo, so that she might vary her prescriptions with her chances for success. The embassy reported rather sadly that any possibility of America's weakening to accept Japan's proposals was eliminated by the prompt acceptance of the proposition by Britain in the first of the secret sessions of the "big three," Balfour, Hughes and Kato, and as a consequence newspapers were unanimous in asserting that Japan must yield.

(sent to fellow cable)

(Roderick O. Matheson was the alert correspondent of the world.)

(space)

Washington-Tokyo, Conference No. 62.

November 22, 1921.

All the newspapers of November 20 have articles on the statement of Japan's attitude towards the Chinese proposal and on the proposed amendment of the armament limitation. With regard to the latter, all say that the American attitude is as firm as before. Most conjecture that the purpose of the Japanese proposal is to save the Mutsu.

The Washington Post and one or two other papers publish an Associated Press despatch quoting American plenipotentiary delegates as saying that the function of the naval experts is merely to investigate facts and that the decision of the policy based on these facts is principally within the competence of the American political plenipotentiary delegates. On the other hand the comment of Japanese newspapers on the proposed amendment is printed in all the local newspapers.

The New York Times of November 20 published on its first page an Associated Press cablegram from Tokyo, November 19, that the Japanese cabinet had approved the draft of the amendment and was submitting it to the diplomatic advisory council, and with it an Associated Press telegram from Washington, November 19, that there was an impression that the presentation of the amendment proposal by the Japanese delegates was prompted to some extent by considerations involving home politics.

The newspapers of the twenty-first all emphasize the view that as a result of a meeting of Hughes, Balfour and Kato after the session of the conference committee on November 19, Great Britain had absolutely approved the 5-5-3 ratio. The Associated Press sent out a report which it had secured from the office of a certain delegation that the Japanese proposal was based on a difference of opinion as to the present strength of the navies of the various countries, and that therefore, if an understanding on this point could be reached with Great Britain, an agreement could be reached.

On the twenty-first the New York World published on its first page a cablegram from its correspondent at Tokyo, Matheson, that Japan had advanced the date of launching the Tosa from December 19 to December 4 and was vigorously hurrying the construction of this vessel. This attracted considerable attention.

The Hearst papers on the twentieth criticized the Japanese for demanding an increase of tonnage by calling aircraft carriers, which would carry bomb-dropping airplanes, exclusively defensive auxiliary craft. On the twenty-first the Times said that the question of whether airplane carriers were really of an absolutely defensive character or whether on the contrary they had offensive power would be the focus of the discussion of the Japanese proposal. It expressed opposition to the Japanese amendment proposal.

The general trend of newspaper comment, which had come to the point of doubting the success of the conference, now, since the substance of our proposal has gradually become generally known, puts together the above-mentioned idea that the British plenipotentiaries have approved 5-5-3 proportion, and reports of conversations between the British, Japanese and American delegates, and observes that in the end the Japanese must yield, and a tendency is evident for pessimistic comment to change to optimistic.

(space) Tokyo ordered the delegates to hold out for the 10-7 ratio on November 22. (See (Faint)

No.44, ibid, Page 308.) Japanese newspapers said the cabinet would demand it and began

discussing the importance of the fortifications in the Pacific. November 28 Kato was

favoring the seventy per cent ratio as requested. The same day Tokyo provided for emergencies by relenting a little.

From the following cable we gather that the Washington delegates had presented at least four possible courses of actions. The first proposal that Tokyo wanted was evidently the 10-7 ratio. The second was a 10-6.5. The third must have been the 5-3 proposal with the Mutsu for the Settsu and the last proposal, the one to be avoided, Hughes original suggestion. It was in this cable that Uchida revealed the importance that Japan attached to the Pacific defenses as a compensating factor in the juggling of ratios.

(apace)

Tokyo-Washington, Conference No. 73 (!) November 28, 1921.

~~Very confidential~~

(Note. Text is badly garbled.)

Referring to your conference cablegram No. 74, we are of your opinion that it is necessary to avoid any clash with Great Britain and America, particularly America, in regard to the armament limitation question. You will to the utmost maintain a middle attitude and redouble your efforts to carry out our policy. In case of inevitable necessity you will work to establish your second proposal of 10 to 6.5 (Note. 6.5 reconstructed from a garbled passage). If, in spite of your utmost efforts, it becomes necessary in view of the situation and in the interests of general policy to fall back on your proposal No. 3, you will endeavor to obtain a wording which will make it clear that we have maintained equilibrium with the American fleet by limiting its power of concentration and maneuver in the Pacific through a guarantee of reducing, or at least maintaining in status quo, the Pacific defenses.

No. 4 is to be avoided as farⁿ as possible.

Another interesting report on the state of Public Opinion's health went out November 28. It unwittingly sets forth the contrast between America and Japan. Here public opinion is like Topsy, in Japan it is as carefully guided as Little Eva.

(opere)

Washington-Tokyo, Conference No. 100. November 28, 1921.

A survey of recent attitude of American newspapers toward our country reveals on the whole moderation and reasonableness, and one cannot but feel surprise when comparing this with the time when there was constant and bitter criticism on the Shantung question.

One important cause of this is thought to be that the American government and people have recognized that the success or failure of the conference rests mainly on the actions of our country and they are governed by a secret desire not to do anything at this time to aggravate the antipathy in our country. At the same time we think also that the fair policy of the Japanese government has, through our straightforward statements, been more and more understood by the public.

Judging by the events of the past two weeks:

1. The fact that we at the outset promptly agreed in principle to the American government's proposal in regard to the reduction of naval armament was received with marked good-will. Then, while our proposed amendment in regard to the proportion of tonnage occasioned moderate criticism for a time, and checked the state of reaction, at present the trend of public opinion has, as before, an optimistic leaning to a belief that in the end some compromise will be seen. Comparatively little attention was paid by the public to the publication in various newspapers of the twenty-sixth of an Associated Press cablegram from Tokyo stating that the Japanese government had issued instructions to its plenipotentiaries to insist on the seven ratio.

We therefore feel that unless public opinion in our country from concentration on the principle of national defense makes unnecessarily strong claims or imprudent criticisms of the attitude of the American government in proposing the proportion of tonnage, and thus provokes ill-feeling, no great change will be produced in public opinion in this country. In view of the very great importance of this question, please, for the sake of caution, see to it very carefully at this time that that public opinion in our country does not run to extremes before the Japanese government has made her ultimate decision.

Moreover, it is observed concerning conditions of other countries, that Great Britain has expressed an attitude of assent to the American proposal regarding the naval question, and seemed to be silently waiting for accord between Japan and America.

In view of the fact that at present the attitude of Japan is continually the center of public attention, our country should arouse to a sense of the general situation and the extent of our national power and should in accordance with these conditions maintain a most prudent attitude. It is reasonable that we should support our contentions, but I think it necessary that our Government and people both should persistently take care not to incur any unfavorable reaction of American public opinion, which is tending decidedly in our favor, by taking extreme positions and expressing extreme arguments.

(space)

So on November 30 Kato made his formal plea for an increase in the capital ship ratio on the basis of necessity for national security. Moreover, he wished, at the advice of his naval experts, to discard the fundamental method of determining the status quo on which Hughes' ratio proposal was based. He wished, exactly, to discard uncommissioned ships as a basis for determining the ratio. Figured with Japan's pencil, Hughes' ratio was cut fifty percent or England would have fourteen to America's ten and Japan's

seven. Japan was immediately accused by Public Opinion of holding out on Hughes for bargaining purposes on the Far East situation.

The plenipotentiaries' worries were manifold both prior to and following Tokyo's consent to the 5-5-3 ratio on December 10.^(Fint) (See No. 155, ibid, Page 317.) One might have expected the British to support the Japanese amendment, for it would give them a larger navy than any other country in keeping with the traditions of the Empire, but such was not the case.

On December 1 Baron Kato cabled home his fears as to a possible combination of Great Britain, America, France, and China against Japan; as to Japan's losing her newly won place in the international sun; and as to the trouble that official agitators for the 10-7 proportion might cause in their guidance of public opinion. He feared an attempt on the part of England and America to dictate to Japan should they persist in their desires. He was apprehensive lest they lose the good will of America. If they should, they would be put at a disadvantage, the conference would end in failure and the ensuing naval race would reduce Japan to far below the despised sixty percent.

(Fint to follow cable)

(Rear-admiral Sir A. E. M. Chatfield was assistant chief of staff in the British Admiralty. Vice-admiral Kanji Kato was not only head of the Japanese naval experts with Captain Y. Uyeda, naval attache of the Washington embassy, but a member of the sub-committee of naval technical experts who worked out the detailed information for the main committee. Col. Theodore Roosevelt was chairman. Admiral Robert E. Koontz

also represented America. The other countries were represented by Lord Arthur Hamilton
lee and Admiral Chatfield for the British; Vice-admiral Ferdinand de Bon, for France;
and Vice-admiral acton for Italy.)

(apare)
Washington-Tokyo, Conference No. 127 December 1, 1921.

~~Very confidential~~

I am aware that you are fully informed regarding the sentiments of the American government and people toward Japan by the various reports of the last few days, but I have summarized my impressions resulting from an analysis of all these as follows;

The American authorities, at direct variance with the trend of public opinion with reference to the standpoint of Japan, relegated Far Eastern questions to a secondary place and initiated the proceedings at once with the discussion of the limitation of armaments. In fixing the ratio between the strength and efficiency of the Japanese, British and American navies, no reference was made to combined strength upon the basis of the Anglo-Japanese alliance.

The attitude of Root and all the other American delegates toward Far Eastern questions was felt to be one of concern lest our national susceptibilities or dignity should be wounded. Editorial comment in newspapers here, with the exception of the Hearst papers, has generally adopted a tone friendly toward England, which condition has not prevailed in recent years. On the other hand, with reference to the American attitude toward China, the newspapers contrary to expectation are maintaining a lukewarm attitude and the propaganda which the Chinese are continually spreading seems to be having very little effect.

The above mentioned conciliatory attitude of the American government and nation toward Japan is a very happy circumstance, but I think it is chiefly due to a desire to have the Washington conference result successfully. In view of the predisposition of the American people, if any untoward incident

should impede the progress of the conference, it is to be expected that this attitude toward us would undergo a complete change.

At present, the point upon which the American government and people is most concentrated is the attitude of Japan toward the ratio of naval strength and the progress of the meetings of experts is being closely followed. Since the publication of our claim for a 10-7 ratio, public opinion here tends to follow the same lines as before, but, in view of the firmness of the American decision and the fact that the British support the American plan, confidence is expressed that the Japanese will finally make concessions and the outcome of the conference is apparently awaited with comparative equanimity.

With reference to the attitude of the British and American governments upon this point, judging from the attitude of Hughes and Balfour upon the occasion of the interview of Plenipotentiaries Hughes, Balfour and Kato, as contained in cablegram No. 93 (Note: erroneous reference), the British and American governments appear to be absolutely at one in this regard and to have already decided what Japan should do. The details of the statement made by the British delegate, Rear Admiral Chatfield¹, on November 30, in the meeting about naval matters will, we suppose, be transmitted to you later by the Vice-Minister of the Navy. [?] I wish to comment, however, that the British government is becoming more and more outspoken in its support of the United States and is exhibiting an attitude of opposition to our proposal.

With regard to this point also, as all kinds of propaganda have been actively circulated on account of the discussion in our newspapers about the desire of Japan for a 10-7 ratio, I fear that the American government and people, as an inevitable result of their feeling of disappointment, will alter their previous friendly attitude, thus giving rise to a situation disadvantageous to us, and that the British government also, which heretofore both in the conference meetings and outside has manifested a friendly attitude toward us, will change this attitude and together with the American government

adopt a policy of exerting pressure upon us. If such a situation should once arise, it must be expected that it not only would result in the failure of the conference, but also would cause future naval competition, so that in the end we would be reduced below a sixty percent ratio. Then, of course, Japan would in future be forced to an absolutely inferior international position, or a firm alliance hostile to us between Great Britain, The United States, China and France might be formed. In fact I feel great anxiety as to what turn affairs will take as the future weal or woe of Japan may now be decided.

There are indications that the agitators for the 10-7 ratio have recently begun to have the guidance of our newspapers, circles of public interest, etc. but, if, in disregard of the above described situation, they should now make national opinion ferment and take a course contrary to the general trend of the times, I entertain great apprehension lest sooner or later Japan may be placed in a very difficult position both as regards domestic and foreign affairs. Because of the direction which public opinion is taking, I therefore submit this point for your special consideration.

I shall call on Mr. Balfour December 1, concerning this question, and shall report the interview in another cablegram.

(space) (possible chapter break)
When the conference of naval experts concluded without reaching an agreement, Balfour

was terribly anxious for fear the whole armament limitation would be overthrown. This, he thought, would interfere with a successful conclusion to the quadruple agreement and the Pacific questions. He summoned Baron Kato to discuss the state of affairs with him and offered his help toward a satisfactory solution. Baron Kato reports the interview at length, part of which is quoted here and part of which will be quoted a little later.

Kato goes into great detail to explain to the Englishman the Japanese opposition *He blames it on the people's policy as set forth by the diet,* to the American plan. [^] He fears the political consequences should his constituents

suspect that America may exert pressure,- all very prettily set forth in diplomatic

parlance. He shrewdly suspects the British of using their influence to prevent an in-

crease in ratio or even the retaining of the Mutsu, as much as to obtain harmony. ^(Faint to Balfour's cables.) 'Sadao

Saburi was ^Counsellor at the Washington embassy. Sir Maurice Hankey was chief secretary of the British delegates.)

(apoc)

Washington-Tokyo, Conference No. 131. December 2, 1921.

~~Very confidential~~. Urgent.

The conference of naval experts concluded without reaching an agreement and reported the day before yesterday, November 30. As a result of this, on yesterday, the first, I was asked for an interview by Mr. Balfour and met him at a hotel at noon. Mr. Balfour was in a state of extraordinary anxiety and even his words trembled. He began by saying that it was reported that the navy specialists had not reached a consensus of opinion. He was unbearably anxious for fear that unless some agreement on this question was reached, the whole armament limitation would be overthrown. He thought that this would result in making the quadruple agreement impossible and would also affect the Pacific questions. He asked whether there was not something he could do to help.

I said that, since I had received the report the day before that the specialists had ended with a disagreement, I was heaping worry on worry. With the introductory remark that as a technical question there was considerable reason on our side, I said that I wished to leave these technical things aside and express my own views. In the first place this was not a question to be decided by our navy alone, but the diet had already

announced it and the people were supporting it. It was therefore a matter of political significance. For this reason, to change the proportion there must be some reason which will produce a considerable change in the Government and people.

Still at the beginning of the conference, when I heard the Hughes proposal, I marvelled at this decisive step, and I then transformed the decision that his proposal must be substantially accepted. I therefore immediately expressed this opinion to my colleagues and to the experts, reported this view also to my government, and addressed myself to the policy of doing everything possible to make the plan succeed.

In Japan hitherto in the government and people and especially in the diet not a single voice of opposition to the navy program had been heard. As a result of the great war, the situation in all European and American countries had changed, and, as a result of all the people of all countries being distressed by the burden of armaments, the reduction of armaments had become an international question, and had had an influence also on Japan. Since last year, opinions in favor of armament reduction had been heard. This spring I received two or three questions from the correspondent of the American Associated Press. I at that time announced that I approved the limitation of armaments, and that, if there were an international agreement, the eight-eight program might be curtailed. With this spirit I had come hopefully to the conference, and I had gone on until today with the thought of doing everything in my power to establish the American plan. I had already consented to the principle of scrapping new ships under construction, and old ships, which was the main point of the American proposal. I was intolerably regretful that in spite of the fact that the question of ratio was in the end a secondary and comparatively small question, no agreement on it had been reached among the experts.

Assuming at this point that I accept the Americanⁿ proposal, what would be the result? If, in spite of the fact that there are reasons supporting our proposal from a technical standpoint, the American proposal should be accepted, the impression would be produced on the Japanese people that this was the result of American pressure. It may be supposed that the people would attack me and at the same time would come to have a feeling of antipathy towards the United States. There had perhaps been indications of more or less strained feelings between the Japanese and the American peoples, but since this spring there were signs of a reconciliation. This had been most gratifying to me, and when this conference came into prospect, I had come to America having the point of view that outside of the questions of various ^Kinds, one duty of the conference was to establish good-feeling between Japan and the United States.

During the discussion of various questions, this feeling had not left my head for a minute. I had been most anxious lest, even if we secured an agreement on naval limitation, the newspapers, etc. of both countries would fall into severe mutual criticism and would end in producing an estrangement of feeling between the two peoples. My great anxiety had been to prevent this. If it were my duty to bear all the responsibility for attacks of the people concerning myself, a solution could be secured, but a personal solution would have no effect in harmonizing the feelings of the two peoples. Still I had the feeling that it was absolutely necessary to carry through this limitation of navies. Putting together the foregoing views, I was worrying day and night in what way this question could be solved. It would be fortunate if he could assist me on this point.

Mr. Balfour said that, as a public man of long experience, he well understood the necessity for considering popular sentiment. He sympathized with my anxiety and perfectly understood my feelings. Still, while there might today be room for discussion concerning the details of the American

proposal, viewed from the larger aspects of the situation it was impossible not to decide on it. If I had any opinions he would exhaust every effort.

... I then said that the Mutsu was really completed. Before I left, all its construction charges had been paid, captain and crew had been drafted and it had gone to sea. Today it had been incorporated in the fleet. To scrap it was a thing I could not get our people to do. The Mutsu must be restored.

... The basis of study of the American proposal is the interpretation of existing strength. Our experts say that there are points which are unfair, but judging by newspaper discussion, I suppose that the Americans, having invested several hundred million dollars in fifteen uncompleted ships, have considered the effect of this point on the people and have taken it into account in the existing strength. There are also indications that they have taken some pains not to make the British oppose the plan.

The American plan can therefore hardly be considered perfect, but Mr. Balfour said that he himself would not listen to the specialists. There may be various opinions about the American plan from the point of view of world peace, preventing wars, stopping competitive naval construction, lightening the burdens of the people, etc., but, looking at it from a general point of view, he was of the opinion that there was nothing to do but to agree to it for the sake of attaining a great purpose.

Without impugning their general good faith, it may be supposed that the British from the standpoint of their own national defence do not like to see an increase of Japanese influence, and, from this element of consideration, do not like the sixty percent ratio to be raised nor the Mutsu to be restored. As the strongest argument which they can get,

they put pressure on us by arguing that, if we do not accept the American plan but support and ^davocate seventy percent, the whole plan will inevitably break down, and with this they are confident of making us accept the American plan.

It is extraordinarily hard to persist in our proposal. I am afraid that it will have a bad effect not confined merely to this question but extending also to others. I do not yet know whether the other side have proposed a plan for restoring the Mutsu and eliminating the Settsu. I shall report about this and the South Sea ^cdefences question in another cablegram.

Since the above report was drafted, I was told by Counsellor Saburi that Hankey¹ told him that Mr. Balfour had today given Mr. Hughes an extremely detailed account of our interview described above. Mr. Hughes had shown interest in the South Sea ^cdefences question and had said that he would discuss it with his colleagues of the American delegation, but it looked as if it would be hard to consent concerning the Mutsu.

(space)

Japan was quite sensitive to the American reaction to the turn of affairs. Hughes' unfavorable reception of the Japanese amendment aroused marked opposition in the press of December 1. This led Baron Kato to deny the plan that had been announced as definite the day before as Japan's formal plea. He even denied that there was a deadlock on naval reduction. As a consequence Japan was accused of horse trading to get the Mutsu, and increase in total tonnage and a new percentage.

After this pronouncement Japanese stock rose slightly, though Nippon was still thought to be seeking naval advantages to balance the end of the Anglo-Japanese² alliance and the outcome of the Far East negotiations. Public Opinion believed that Japan wanted

the Pacific fortifications limited, though Japanese papers were claiming that limitation of the fortifications was secondary to an accord on capital ships.

(*apare*)

Washington-Tokyo, Conference No. 136.

December 2, 1921.

Apropos of a report published in all the newspapers of November 30 that the meeting of the committee of specialists on Japan's proposed amendment in regard to armament reduction had ended in rupture, Hughes the same day in his interview with the newspaper reporters said emphatically that the method of reckoning in the American plan was fair, and no method of reckoning fairer than this could be discovered, saying also that it was impossible to understand the opinion that would exclude battle ships now nearing completion, and take only already completed ships as the present strength.

This appeared in all newspapers of December 1 as the words of one of the American plenipotentiaries. As a result of this, the tone of the press everywhere tended to a marked opposition to the Japanese amendment proposal, and it even occasioned the appearance of articles in some among them which pointed out that Great Britain had accepted the American proposal and that it was Japan that would block the success of the conference.

However, Plenipotentiary Kato told the reporters in his interview with them the same day and in reply to their various questions that:

1. It was not yet the time to state an opinion, for although he had received a report from the Japanese members in regard to the discussion of the proposed amendment, this was still under investigation.
2. He considered the question of proportion and the question of abolition of the various Pacific island fortifications two separate questions.

3. No deadlock had occurred in the question of naval reduction as

Again, because Balfour, too, in his interview with the reporters the same day, said that he thought the question of naval reduction would be settled satisfactorily, the articles in the papers of the second, with the exception of the World, tended on the whole to be rather optimistic.

Yet another phase is that the postponement of decision on this question has given birth to various imaginary ideas, and they say they are afraid Japan may perhaps make even greater demands for concessions in respect to Far Eastern questions, and that it is for the sake of bargaining that she is so reluctant to settle the naval question. Such conjectures as this, and the one that it is a scheme on the part of Japan to get the naval question connected up with the question of abolition of the various Pacific island fortifications, seem to be increasingly prevalent.

Moreover, a thing to which we must pay heed is that even British correspondents in America are as a rule reporting unsympathetically on the attitude of our country regarding the naval question.

(opac)

But popular opinion in Japan was growing in favor of bigger and better

disarmament. Tokyo was having difficulty in arousing and sustaining a demand for

a 10-7 ratio. The reasonable populace were not the arch friends so often painted.

When they noted that America and England were united against the idea of that proportion

for Japan, they, in great numbers, wished to compromise promptly for an accord.

As a consequence the government was much worried lest the truth be known in America

and make doubly difficult the duties of the delegates, - what could be more humorous!

The Foreign Office did its best to issue favorable propaganda to maintain the cause,

but so peace-loving were the people that even Uchida himself acknowledged that this

could not be effectively continued for long!

(Apaca)

Tokyo-Washington, Conference No. 129.

December 7, 1921.

In regard to the last part of heading one of your conference cablegram No. 100 and in regard to the last part of your conference cablegram No. 127, I am sending for your information the following summary of the trend of public opinion here and the guidance of such opinion.

It is a natural course of events that Japanese public opinion regarding armament reduction has, as with other foreign questions, divided itself into two parties, those for and those against. We, in the spirit of supporting the negotiations of our plenipotentiaries, have guided both parties suitably. Indeed it is an indisputable fact that many of our people fervently desire the establishment of an agreement on armament reduction. They naturally desire the establishment of an agreement for an advantageous proportion, but when it is reported that our claim for a seven ratio has, through Great Britain's approval of the original American plan, fallen into marked disfavor, they appear to desire the reaching of an immediate agreement through some compromise.

However, the learned men of the national policy investigating societies, who demand in everything a strong national policy, and such national associations, as I have frequently given you reports of before in special news reports, have a tendency to run to extremes in their arguments. Therefore, thinking it inexpedient to leave them to themselves, we have directly and indirectly kept in touch with these bodies, and given them suitable guidance. The articles and tone of the newspapers in general, with the exception of the Yorozu Choho ^① and the Kokumin and the Yamato, have shown a tendency to run rather to extremes in their adverse criticisms.

Again, the special correspondents in America have been sending successive messages to the effect that Japan would ultimately concede.

As foreign correspondents, finding material for cables in these various newspapers, transmitted home to America the conditions as they actually were, we were afraid of giving the impression that the Japanese plenipotentiaries were setting public opinion in their own land at naught, and were insisting on the seven ratio opinion contrary to the wishes of the people, which in itself would be a marked disadvantage to the position of the delegates.

So from the standpoint that, at least while the Japanese representatives were claiming the ratio of seven, it was necessary to have the people back this, or at least to let it be supposed that they were backing this, it came that we cooperated with the Ministry of the Navy and guided certain suitable Japanese newspapers and foreign correspondents. However, the general trend is such that it will not be possible long to control these artificially.

Conditions are finally such that the measures noted in the last part of my conference cablegram No. 110 (Note. Note received) will not be taken. Nevertheless as of late the special cables from America give out the report more and more that concession will be seen on Japan's part, the situation will make the spirit of the strong nationalist party rise correspondingly, and it would seem that activities of the militarist party, ex-soldier bodies, etc., also cannot hereafter be lightly regarded.

In this connection, because the special correspondents in America have in regard to various questions sent cablegrams of an officious nature, great difficulty has been experienced in controlling the newspapers over here. The Jiji Shimpō has been particularly bad in this respect.

(space)
A little of this had already leaked abroad in America, for there were rumors

that Tokyo favored accepting the Hughes plans in despatches from across the Pacific.

But on December 8 Kato was forced to urge instruction to break the deadlock by getting

(Footnote)
a negotiable answer. (See No. 168, *ibid.*, Page 316.)

Viscount Taka-akira Kato, leader of the Kenseikai, opposition party to the government, on December 9 announced a policy of abolition of all capital ships, to make it even more difficult for the government to persist in a large proportion. And disarmament was supposed to be the pet policy of the government! It was rumored the next day that Japan had capitulated as to ratio and was waiting only for an adjustment on the Mutsu and an Itale-French agreement.

Though most of her difficulties were ironed out at four "Big Three" conferences in as many days in early December, as late as January 11, 1922, Tokyo still wished to revise Article 19 of the naval treaty to leave a loophole for revision of the ratio, "if necessity demands."

At the first conference in the State Department December 12 of Kato, Balfour and Hughes, the first consented to the 5-5-3 ratio if he could keep the Mutsu and get a promise about status quo of Pacific defenses. This whole affair is swiftly and secretly revealed to the home office after each meeting. Not the least interesting part of each message is Kato's impressions. After stating his case, Balfour's questions, Hughes' tactful refusals, he informs Uchida just about how much Japan can expect the others to concede, just what they will refuse.

Though he fought nobly for the Mutsu, Kato didn't really expect he would be allowed to keep it. He asserted doggedly throughout that it was a completed ship, but he skillfully avoided minute questioning on that point. He avowed that Japan

would never consent to scrap the mystery ship and suggested substituting it for the

Settsu, -the former, 35,000 tons; the latter, 21,400 tons, or an increase of 3,600 tons.

The two others, not knowing that he was bluffing, agreed to consider the change,

provided he would keep to the 5-5-3 ratio for existing strength as well as for

(Put to follow cable)

replacement. (Because most of England's battle ships^s were pre-war, she was to be

allowed to retain a larger number until replacement.)

When Kato saw that unexpectedly his demand might be satisfied, he suggested

generously that America might keep one of her ships half-built and that England might

lay a keel for another. They were unanimous, however, in saying "That would never do."

Kato continued to bluff. Hughes adjourned the chat until the next day in order that

he might have his experts draw up a new table of figures. So Kato wrote that

things were breaking his way quite unexpectedly.

(space)

Washington-Tokyo, Conference No. 215. December 13, 1921.

~~Very~~ Urgent. ~~Very Secret~~

I went to confer with Hughes and Balfour at the state department at 4 P.M. on the twelfth and we discussed the questions of the naval ratios, fortifications and naval bases in the Pacific and the Mutsu for two hours.

. . . . Hughes then asked me whether or not, if the question of the defences was settled, I would have any objection to the ratio and I replied that I would have no objections. Balfour then spoke of a provisional agreement for the maintenance of the status quo ante of the defences and the ratio, but Hughes cut him short, saying that there was the interpretation of the Mutsu question to be brought up. Both said that

the exchange of the Mutsu for the Settsu was a new important question. I repeated firmly, ever so often, the fact of the Mutsu being a completed ship. They did not contend strongly that it was unfinished and they expressed sympathy with popular sentiment. Finally, besides adopting the 5-5-3 ratio for replacement tonnage, it was necessary that existing strength should also have the 5-5-3 ratio; that England's existing power and tonnage would be six but this was merely because allowance had been made for the many old ships. After he had said this, the discussion changed to the point of power, and I was asked to agree to making the actual power in the ratio of 5-5-3.

I asked whether, in that case, one way might not be to make exceptions of one new ship under construction by America and have England lay the keel of one. They said, according to the spirit of the American proposals, there was to be a discontinuance of new construction and my plan would antagonize world public opinion. Then I made the positive statement that, under no circumstances, would our nation consent to the scrapping of the Mutsu.

Hughes said that, regarding the discussion, the real fact is that its fundamental spirit is that of mutual sacrifice^{the} in reducing navies and because of this the scrapping of the Mutsu was desired. Its retention would give rise to discussion of new ship construction and also kindred questions. He repeated the argument regarding power.

Balfour said that he approved of ^{the} 5-5-3 ratio and also of the preservation of the status quo ante of the Pacific defences, and that he understood the point of argument was regarding the application of the capital ships that will be left.

Hughes said that the retention of the Mutsu would not only increase the tonnage but also the power, and, because of the great effect it would create, all of the specialists would make a new schedule of power on the 5-5-3 ratio and he desired us to all meet together again tomorrow at 4 P.M.

and he also desired that strict secrecy be kept regarding the proceedings of the conference of three and also by the specialists, to which all agreed.

I will add my impressions.

The purport of your instructions was to put the fortifications question first and the ratio question after it, but, in view of the ^eearlier interviews and the situation since then, the situation will not permit the English and American plenipotentiaries to avoid and postpone the question of ratio on which the interest of the press is centered, and I have also felt it would be disadvantageous from the point of view of feeling. For these reasons I have discussed the questions of the ratio and the defences together at the same time. I ask your approval of this.

My first thought was to settle the questions of defences and the ratio together at the same time and to deal with the Mutsu as a separate question, but Hughes did not agree, and it became a case of three questions under the one heading. Though there was some haggling, as is perfectly natural, there is not great difficulty in regard to the principle of the combined question of ratio and defences, and it is to be expected that we will attain our wishes.

Regarding the assertion that the Mutsu is a completed ship, I avoided argument on this point throughout, acting as if it were understood, and only argued repeatedly against the idea that, because it would produce gaps in power between the navies of the three countries, England, America and Japan, and make a great difference in the tonnage of the ships actually in commission, Japan could consent to treat it as an uncompleted ship. As a result of the discussion I asked whether some solution could not be devised to help the 5-5-3 ratio without establishing an inequality between the ships of England and America actually in

commission and without increasing the tonnage. Unexpectedly it does not appear that my proposal will be refused.

The naval specialists of both England and America are considering the question of naval construction during the naval holiday and there have also been arguments in the press about it and it has given rise to conjectures as to what will follow, but these questions are merely the aspirations of the specialists. Since it is counter to the fundamental principles of Hughes and Balfour, it cannot be surmised that they will agree to this. If it is not an error to make this ^eobservation, on account of the inclusion of the Mutsu and in order not to cause an increase in the proportional power nor in the gross tonnage of the three countries, it is thought that a considerable sacrifice will be necessary to preserve the proper balance in our ^enavy power, that is to say, ^ethere is no chance to get an agreement of the Settsu.

I submit this for your judgment.

(apace)

The next morning the rumor appeared in the press that Japan would get the Mutsu for the Settsu. At the conference that afternoon Japan was awarded the Mutsu and England was promised two new super-Hoods to keep equitable distribution of the proportion. Previous to the great naval battle of the War of 1914-1918, the battle of Jutland, dreadnoughts were armed, armored, and designed in a theoretical, untested style. The great battle showed up the defects in construction, so that immediately after the war England remodeled her newest and fittest survivor, the Hood. Other nations took the lesson to heart and incorporated the improvements. America and Japan had completely new Hood types, - America, three and Japan two; but England had none, neither did France, nor Italy.

If Japan was to have the Mutsu for the Settsu, to keep existing strength properly

proportioned, America should have to finish and keep the Colorado and the Washington and give up the North Dakota and the Delaware instead. The first two were 32,600 ton vessels; the last two, 20,000 tons each. This would increase America's tonnage by 25,200; ^{for a total of 528,8500} The ratio became approximate then and apparently in America's favor, but Hughes justified this by the fact that he had no battle cruisers to match Kato's. When this was agreed, there was Balfour's problem to settle.

Balfour needed new ships to maintain the balance of power and that spoiled a complete naval holiday of ten years. Kato was so elated at getting the Mutsu, he agreed to Balfour's necessity with right good will. Then Balfour and Hughes had a tug of war over the size of the proposed English ships. Balfour wanted approximately 45,000 ton vessels; Hughes, 35,000. Hughes even suggested the ships that Balfour should discard in this new juggling of values. Under the original plan England would have 604,450 tons. Balfour had to consult his experts. They adjourned for another day.

(space)

Washington-Tokyo, Conference No. 220. December 14, 1921.

{Very Urgent. ~~Very Secret~~ }

At 4 P.M. on the thirteenth the same three persons met at the office of the Secretary of State.

Hughes said that, since yesterday, he had made a thorough study of the Japanese proposals and had also spoken with the President, but that it was necessary to consider further the age of the ships and any other points affecting the proportion or strength in capital ships.

Regarding the Japanese proposals, when the basis is taken from the proposed exclusion of the Settsu and the inclusion of the Mutsu, and America

the North Dakota and the Delaware and include
proposes to exclude the Colorado and the Washington, the respective amounts
may be said to be 313,300 tons for Japan against 525,850 tons for America
or an approximate proportion of 5 to 3. However, Japan has battle cruisers
and America has none.

I answered that I understood his meaning.

Upon this, Balfour said that England was in a difficult situation
after the war and had not a single ship of the post-Jutland type. They
had the Hood, but were still making a study of the construction of new
ships. That the present proposals, from the standpoint of England, pre-
sented complications, as America has three of the post-Jutland type and
Japan two, and therefore England, to keep its proportion of strength up
to 5-5-3, must build new ships. England had two ships contracted for. He
considered that England, of necessity, must complete these two, which are
of larger tonnage than the Mutsu and the Maryland, and scrap old ships in
their stead.

I said that I desired to express sympathy for England and that, in
reference to the English proposal, although it was outside of the scope of
my instructions regarding acceptance, I unhesitatingly expressed agreement;
that, because of the fact the Mutsu had become a political question in Japan,
I certainly could not agree to scrapping her on account of the instructions
from my government, and that I desired to settle this question by means of
the present American and English proposals.

Hughes then said that, in that case, the question, as embodied, leaves
America 18, England 22 and Japan 10 ships. Compared with the original draft,
as far as America and Japan are concerned, the gross tonnage is increased
but the question of the proportion of 5 to 3 is settled. It would be
necessary for England to build two new ships of the post-Jutland type and
scrap an equal tonnage of old ships. He asked what the concrete proposal
would be.

Balfour said that, as the Japanese Nagato and Mutsu are completed and

as the two American ships are practically completed, England could not scrap her old ships until the completion of the new ones. Hughes agreed to this and, as my opinion was asked, I also agreed.

Hughes asked about the tonnage of the English ships and stated that American wished the maximum to be 35,000 tons. Balfour said that that meant a change in the original plans of England. If plans were made anew for 35,000 ton ships, it would increase the economic burden and take time. Unquestionably England should complete the new ships of between 40,000 and 50,000 tons and, after they are completed, should eliminate old ships of a corresponding tonnage.

Hughes said, referring to England's keeping ships superior to the Hood class, that it was desirable to have a limit of 35,000 tons to prevent new problems coming up again in the construction of ships after the naval holiday. Inclusive of the Hood, England would have three Hood-type ships. This would cause the limitation question to become more and more complicated. The limitation of tonnage of new ships to 35,000 tons, the consequent reduction in the number of old ships scrapped and the large number of proposed ships would bring to an end the increase in the numbers of gigantic ships.

Balfour then complained that the building of two new ships to offset the three of American and the two of Japan put England in a difficult position.

Hughes cut him short by saying that, after all, it would only be a difficulty for a short space of three or four years, and that it was the hope that huge ships should not be built.

Balfour answered that if America's proposition were accepted, the construction of the new ships would be delayed a year and asked again if the scrapping of the old ships by England was to be just an amount equal to the new ships.

Hughes said that the life of warships was twenty years. After the naval

holiday for ten years the question would arise regarding the construction of huge ships and, although he, personally, did not know what tonnage to place as a standard for large ships, the American ships of 35,000 tons would be inferior to these two powerful ships and that, for the purpose of simplifying the question of big ships, if it could be satisfactory^{il} arranged at 35,000 tons, the question would become simple, with this exception, that it would be impossible to judge what would be proper regarding the allowance of 600,000 tons to England after the new ships are built.

Balfour asked what would be the result if four old ships are scrapped in the place of two ships.

Hughes said that if the four ships King George, Centurion, Ajax and Erin were scrapped, their tonnage amounted to 92,000. ^{Ed. 92,000} ^{Note. British tons;} ~~92,000~~ or American tons 96,400. England having comparatively old ships, had been allowed more tonnage, but if new ships are built, the tonnage must be made identical.

Balfour said that, as the calculation of tonnage presented complications, it was necessary to hear further from the specialists, and that he felt that the acceptance of the American proposals would create great difficulties for the English navy in that changes must be made in the specifications of the new ships as planned.

Hughes said that, to preserve the just ratio in replacements after the holiday, an understanding should be reached. Supposing the new English ships to be of 45,000 tons each and the tonnage of the two ships to be 90,000 tons, if ~~four old ships~~ of a total tonnage of 92,000 are to be scrapped in place of them, the total British tonnage will amount to 602,000 tons and against this America will have 525,000 tons. If new ships are built, this excess will be difficult to agree to.

Upon this point it will be necessary to confer tomorrow evening, so, according to the desire of the English, there will be a further conference

at 4 P.M. tomorrow.

Comment.

As the Mutsu is completed, it is not put among ships under construction, and theoretically it is improper to permit Great Britain and America to complete or commence new ships, but on the other hand I consider it a ratio which conforms to the facts of strength, and I think it absolutely necessary to include some degree of inequality. Considering it an inevitable necessity, I therefore finally accepted it. I request your approval.
(space)

Before word of this concession on the part of Hughes had reached Uchida, Tokyo papers ran a story that the government would accept the 5-5-3 ratio and give up the Mutsu. This did not effect the results achieved in America, however.

The third day was solely about between Hughes and Balfour with Kato refereeing and calling it a draw. Two proposals were put: one, for two of more than 45,000 ton super-Hoods to replace four King George V types and one Repulse type (the first being a 23,000 ton and the latter a 26,500³); the second, for two 38,000 ton super-Hoods. Plans for the ships in proposal No. 1 had been completed.

After they had about agreed on the first proposal because of the trouble and expense involved in abandoning the plans already drawn up, they realized that they were discarding the arbitrary tonnage of 35,000 as well as the naval holiday. When it would come to replacement, the British would not wish smaller vessels. Balfour postponed his final decision. Everything was made tentative to the acceptance of France and Italy and Hughes volunteered to present the case personally to France.

(space)

Washington-Tokyo, Conference No. 23⁵⁰ December 15, 1921.

~~Very Urgent. Very Secret.~~

The conference of three on yesterday, the fourteenth, as called by Hughes, was held from 4 to 7:30 P.M. with an hour's recess during that time.

The principal question discussed was on the basis of the provisional terms that were made by the Japanese and American governments on the thirteenth, what would be the British strength. Nothing was settled, but the attitude of the conference^m was exceedingly friendly and the procedure was carried on in a very courteous atmosphere.

Finally, two proposals were put, the first being to build two ships of a little under 50,000 tons of the super-Hood type and scrap four of the King George type and one of the Repulse type and the second being to build two ships of 35,000 tons and scrap four of the King George type. In reference to the second proposal England advocated 38,000 tons. They advocated it on the ground of the sacrifice of defensive power in ships of a 35,000 ton standard. Regarding the first proposal, America allowed the super-Hoods reluctantly on the ground that the plans had been made, ~~and~~ I also allowed them, and Hughes and Balfour finally agreed on the first proposal.

Of course America favored the second proposal more than the first. Although they were the same to Japan, if England's contention concerning the 35,000 ton basis were supported, the larger size would naturally be maintained in the construction of replacement ships, and America resisted agreeing to this point. I said that it would be necessary for me to hear the opinions of my specialists. Balfour finally made no decisive reply to either the first or the second proposals.

Hughes said in conclusion that it would be necessary to enter into conversations with France; France required a large army, and her economic condition would not permit her to carry out construction of new capital ships at this time, so she should keep her present strength without scrapping a single ship, but it was desired to limit the French strength on

the reasonable basis of making replaces up to her approximate present strength. He would proceed to confer with the French delegates, with the permission of both the English and Japanese delegates, by himself independently, upon this basis, ^{this} and would also apply to the case of Italy.

Upon this, Balfour said, that, in case France persisted in not agreeing, ~~that~~ of course, it would be difficult for England and America to agree, which would put Japan and America in a similar position.

The next session of the conference is arranged for 11:30 A.M. on the fifteenth.

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In the final chat Balfour agreed to two 35,000 ^{British} ton ships or 37,000 American ton

and the scrapping of four King George V's, equivalent to 96,400 American tons, leaving her with twenty ships of 582,050 tons, ~~an~~ an excess of 56,200 tons and two ships over the United States. Hughes intended to tell France and Italy that the final settlement was dependent on them. And that wasn't the only thing he intended to tell her while he was in a telling mood. He would say that now certainly was not the time for France to keep harping on the necessity of national defense; moreover, being poor, she couldn't afford new battleships. Besides that, only a very irrational soubrette would insist on having such an immense army and it was about time that she see the error of her ways and begin to economize.

All of which was very good American husband, but very bad diplomacy. Hughes forgot that America wasn't paying the soubrette's bills, except temporarily. It is true he thought it more becoming to have France make these suggestions herself, but ~~he was~~ ^{he} firmly resolved to see they were made, if she didn't.

And look what happened!

Perhaps, if he had done some horse-trading like a regular diplomat, made some excessive demands which he could reluctantly give up to obtain what he wanted, the story might have had a different ending. But no, he left not a single loop-hole for the scoubrette to peep through and say "I'll do zat for you, if you'll give ziz to me." He said bluntly to the effect that this is what you are entitled to as a secondary sea-power, -this is all you can afford anyway, take it or leave it. No wonder Balfour said that that was fine. How he must have chuckled to himself at Hughes' temerity!

(space)

Washington-Tokyo, Conference No. 243.

December 16, 1921.

Urgent. ~~Very Secret~~ From Plenipotentiary Kato. S

The three met at the state department office at 11:30 A.M. the fifteenth. At this meeting an understanding among the three powers was substantially attained. Balfour first explained the difference between the American tonnage and English and Japanese tonnage, and that, if Japanese-English tonnage applies in relation to the second of yesterday's proposals, it would be satisfactory, as 35,000 tons then corresponds to 37,000 tons American tonnage. His reason was that, as a result of much experience in the English navy, attacks from the air, when attempted against powerful ships such as those newly constructed and those of the future, would result in the enemy's failure against any ship of this kind and of that tonnage. Ships of less tonnage would lack defensive ability.

Hughes said that, in case the English 35,000 tons is approved, there will be the necessity of explaining it in order to avoid a misconception by the world at large, but this would not be particularly hard. His greatest anxiety was with regard to the case of England constructing a ship of 49,000 tons

under proposal No. 1. If this be decided upon, its influence will be undesirable and the impression of the world that England alone is constructing big ships will surely^{be} bad. Besides, when the time comes for replacement ships, the result will surely^{be} be that the other countries will demand big capital ships. Therefore, if 35,000 tons English tonnage is assented to, it will give a better impression. In short, in reference to the tonnage of 49,000, it was not merely a Japanese and American question, but he was sure that it would be a bad thing for Great Britain as well.

I said that it would be the best plan if the American tonnage of 35,000 were decided upon, and that the calculation of English and Japanese tonnage would surely not be the same. At this point Balfour said that, in reference to the changes brought about by the Mutsu question, he himself had not even reported the situation to the British premier and that it was very regrettable that this phase of the negotiations had gotten into the press; that, in this case, he had determined to assume the entire responsibility for his decision and would agree that England shall construct two new ships of 35,000 British tons each and, after their completion, shall scrap four ships of the King George type.

Hughes and I expressed our satisfaction and a resolution was adopted to inform first, the French and, subsequently, the Italian plenipotentiaries of the naval agreement between the three countries.

Hughes said that, if this agreement was broken up through the fault of France and Italy, it would be indeed serious, and, although the two questions of ratio and fortifications are questions affecting the three countries only, with the permission of the delegates, he desired to report the settlement in reference to the keeping and scrapping of capital ships to the French and Italian delegates and to make the proposition that this agreement was conditional on France and Italy also establishing a reasonable agreement in reference to their capital ships. The other two accepted this. As it would be necessary for him to interview the French delegate at 2:30 and the

Italian delegate at 3:00 P.M., it was decided to convene the sub-committee on Naval Affairs at 4:00 P.M.

Hughes expressed his policy towards delegates as follows:

After reporting the agreement which had been established between the three countries, he would say that, firstly, although the countries participating in it would scrap (41%) of their naval strength respectively, not only would it be unreasonable to ask that such a reduction be made by France and Italy but, also, it would be entirely too severe to make them scrap what is in existence, therefore he recognized that it would be just to except France and Italy from among the participating countries. France's tonnage of 175,000 and Italy's tonnage of 148,000 will all be maintained, but it is desirable that an understanding be arrived at regarding the construction of replacement ships after the naval holiday and that both countries adopt a ratio of 1.75 to 5-5-3, the adoption of this ratio entailing no sacrifice whatever by either of these countries.

Secondly, in reference to France; today is not the time for France to bring up arguments regarding her national defence, etc., upon every occasion; and, in her present economic situation, it is not a time when she can invest large sums of money in the construction of battleships and, also, it is already irrational for her to support an immense army. Besides it is desirable that France see that it is thought that she is in error in maintaining the first army.

Though he thought it desirable that France herself make such proposals, and it is desirable to get proposals like the above from the French delegates, if, from considerations of national prestige and domestic conditions, this should be difficult, he would propose it himself.

Balfour said that that was fine. England had the questions of aircraft and submarines. The former is not very difficult, but it is necessary to get the latter considered because of there being considerable difference of opinion.

Hughes said that he ~~was~~ quite right.

At this point adjournment was made.
(space) the

No wonder too, that ^{the}soubrette was horrified, said "Sacre diable!", and insisted

on keeping up with the Joneses, or in other words demanded equality of tonnage with Japan. She remembered the days when she had shared the spotlight of the seas, second only to the hero, Great Britain, before such upstarts as Uncle Sam and little Nippon dared to tread the boards at all. The press thought she might be persuaded to accept a 2.7 ratio. One group of British authorities thought 1.5 was about her speed. Italy wanted the smallest navy consistent with adequate self-defence^c and self-esteem. The latter required equality with France.

The next day the soubrette was still furious and raised her demands to superiority over Japan. Her rightful place was third on the seas, she claimed. She asked a squadron of ten 35,000 ton battle ships of the latest design to give her a ratio of 3.5. Theatrics and pyrotechnics! Though America now had decided that her ratio was to be no more than 1.75 if Uncle Sam could help it, England was more lenient and thought 1.85 might pacify her. Both were agreed that she could not maintain ~~over~~ a proportion of 2.

December 17 America again offered 1.75 and learned from Paris despatches that the previous excessive demand was the bright and original idea of Admiral de Bon. It hadn't been ordered by his government at all! Hughes preceded then to break another

diplomatic precedent by wiring Briand, long since returned home, over the heads of the French plenipotentiaries to get a reasonable settlement.

On December 20 France grudgingly consented to accept the measly 1.75, but she must have bigger and better auxiliary craft as compensation. This turned out to be, next day, 300,000 tons or just twice the tonnage to which she was entitled under the ratio. She acceded December 22, but all was not serene yet on the naval horizon, for clouds of status quo still obscured success.

†

GEORGE T. BYE & CO.

535 FIFTH AVE., NEW YORK

Part II,

Limitation of Armament,

Chapter 6,

When is an island not an island?

In the last chapter we saw the struggle to keep the Mutsu and obtain actual consent to Hughes' proposed ratios without too radical changes. The price of Japan's consent was an agreement on status quo of Pacific defenses^C. The argument as to what Pacific defenses^C were to be maintained in status quo, came near to defeating the purpose of the conference, long after everyone thought all was quite settled.

A brief review of Japan's geography would not be out of place here to help one understand just why status quo meant so much to her and just what insular territories and insular possessions were involved. The homeland consists of the four large main islands of Honshu or Hondo, Kyushu, Shikoku, and Hokkaido or Yezu, and a number of small adjacent islands. Strangely enough the Bonin Islands or Ogasawara, though five hundred and twenty miles south east of the homeland, are directly under the internal administration, as are the Okinawa or Loochoo islands, and are not considered a special province, as are the Chishima or Kurile Islands, Karafuto or southern Sakhalin, the Hokoto or Pescadores, Chosen or Korea, and Formosa.

The area of the four main islands is respectively: Hondo, 87,000 square miles; Kyushu, 14,000; Shikoku, 7,000; and Yezu, 30,340 square miles. In all, the present area of the Empire is 261,000 square miles, not quite as big as Texas. Nevertheless it extends from the tropics to the temperate zone, from 21 degrees 45 minutes to 50 degrees 56 minutes north latitude and from 119 degrees 18 minutes to 156 degrees 32 minutes east longitude. The four main islands would cover the distance from the tip of lower California to northern Vancouver island, or the entire empire would extend out in the Pacific from San Francisco over half way to Asia. It has a coastline of 13,000 miles flanking the coast of Asia from south China to Kamchatka and maintains sixty harbors open to foreign vessels.

Besides these territories and possessions Japan has the Caroline, Mariana, and Marshall islands, Germany's former possessions north of the equator. They were captured by Japanese naval units in October 1914 and were awarded as mandates by the treaty of Versailles, June 8, 1912. These islands extend from the equator to about 22 degrees north latitude and from 130 degrees to 175 degrees east longitude. In the center of the group lies Guam, the United States naval base. Wake, another American island lies slightly north east of their area, and the Philippine islands lie directly west. New Guinea is on the south. Moreover, Yap, the famous cable station, is south west of Guam, at about 10 degrees north latitude and 137 degrees east longitude.

Though Tokyo did not get everything she wanted, she did get almost at once

her most important demand: a promise of status quo for the Philippines and Guam.

The tentative naval treaty announced December 15 included, besides the following:

acceptance of the 5-5-3 ratio; a substitution of the Mutsu for the Settsu, a total of ten ships or 313, 300 tons for Japan; a substitution of the Colorado and the Washington for the North Dakota and the Delaware, a total of eighteen ships or 525, 850 tons for America; a substitution of two new Hoods for the Thunderer, the King George V, the Ajax and the Centurion, a total of twenty ships or finally 558,950 tons for England; a 35,000 tons limit of construction; replacement standards of 525,000 tons each for America and England and 315,000 tons for Japan; the ten year naval holiday except for the completion of the American ships, (the replacement of French and Italian ships beginning 1927) and the building of the two British Hoods; the foregoing to be dependent on the acts of France and Italy;- it included also the status quo of fortifications in Hongkong and other possessions in the Pacific except Hawaii, Australia, New Zealand, Japan proper, and, of course, the mainland of the United States and Canada.

Tokyo expressed a definite desire to have things remain as they were among the naval bases of the Pacific on November 28 when she ordered the delegates to get a wording to make clear the fact that equilibrium would be maintained with the American fleet by limiting its power of concentration and maneuver in the Pacific through a guarantee of reducing, or at least maintaining in status quo, the Pacific defences."

(Foot)
(See above Conference No. 73, Chapter 5, page .)

Baron Kato sought to carry out the orders of his superiors and found his first opportunity at ^{the} ~~an~~ interview with Balfour December 1 ^{then} ~~the~~ the naval experts had adjourned without reaching any agreement. After he had rehearsed the ratio questions, Kato introduced the subject of South Sea defences.

(space) Conference
Washington-Tokyo, No. 131.

~~Confidential~~

December 2, 1921.

Urgent. ~~Very Confidential.~~

... Avoiding any direct answer to Mr. Balfour's suggestion, I expressed myself as follows:

Although it was a separate question from naval limitation, just here there was one thing the government and people wished. This was the question of South Sea defences. (I explained about the Philippines, Guam, Formosa, Boto islands, etc.) I said that according to press despatches which we had been receiving previously, many articles had appeared in newspapers to the effect that America was carrying out a policy of investing great sums in the Philippines and Guam, constructing fortifications there, and making great naval bases. The Japanese people interpreted these reports as an American menace and were getting a peculiar impression. It was therefore hard for me to think of the naval armament and the South Sea defences questions separately. If, therefore, some understanding on the defences of the South Sea islands could be secured, it would be a great relief to the Japanese people.

Mr. Balfour said that he expected a quadruple agreement was possible. This should be one thing to give relief to the Japanese people. I said that I was also considering that point.

Mr. Balfour had listened to my discussion of the South Sea defences with extraordinary attention. He asked whether I thought it would be an explanation to the people concerning naval limitation if I could get an understanding in some form on this question. I replied that it would be a partial explanation. Mr. Balfour asked whether I would like to communicate this conversation to Mr. Hughes. I said I had no objection and cautioned him not to forget the matter of the Mutsu. He replied that he would not forget what I had said, but this was an extremely difficult question.

(Space) 

When a tentative agreement was finally drawn up, Uchida was prompt and emphatic in insisting that the status quo should apply only in the Pacific islands and that the home territories must be excluded in advent of trouble between Japan and the United States.

~~Very confidential~~

1. The only purpose for inserting the preamble given at the beginning of No. 125 is to make clear that the principal purpose of the agreement is to guarantee universal peace.

2. In our cablegram No. 109 it was contemplated that this agreement would apply to territories along the Pacific coast, but from your cablegram No. 106 it is supposed that the British and Americans attach importance to having it apply only to the Pacific islands as a result of considering that it is undesirable to include Australia and New Zealand. At the same time if the scope of the agreement extended to the Pacific coast, it would include the main territories of the United States and Japan. In connection with paragraph 2 of the proposed agreement, in case of any incident which might develop in the continental United States and which might lead to a dispute between the United States and Japan, the latter would be unable to press its claims to a conclusion and in case of a dispute about any incident in Japan proper, other countries could not press their claims. It is therefore necessary to make it clear that home territories are not included. To make this meaning clear, the wording "insular and detached overseas territories in the possession or under the control" etc. is used in No. 125. It could also make it clear that both American and Japanese mandated territories in the [Ed. Note. Possibly, region north of the] Equator are included.

(Note. Much garbling and obscurity under heading No. 2.)

(space)
Just how ardently the Japanese government felt on this question is revealed in the latter part of the cable in which Tokyo gave consent to the delegates accepting Hughes' ratio of 5-3.

(space)
Tokyo-Washington, Conference No. 155. December 10, 1921.

~~Very Confidential~~ Urgent ①

Referring to your cablegrams Nos. 142 and 143 (Note. Neither received), in consideration of the close relation which the question of the ratio of the Japanese and American navies has to the question of Pacific defences and to the question of the quadruple agreement, and in view of the extreme importance of all three questions, the Japanese government has given it exhaustive consideration on the basis of your cablegrams.

We have claimed that the ratio of strength of 10 to 7 was absolutely necessary to guarantee the safety of the national defence of Japan, but the United States has persisted to the utmost in support of the Hughes proposal, and Great Britain also has supported it. It is therefore felt that there is practically no prospect of carrying through this contention. Now therefore in the interests of the general situation and in a spirit of harmony, there is nothing to do but accept the ratio proposed by the United States.

It will be necessary to set up some especial appropriate plan against the uneasiness which will be produced regarding our national defence by this act, and to devise some means of setting the minds of the people at ease. From this point of view, before you give our consent to the proposed ratio, you will make the proposal for the maintenance of the status quo which is given in the accompanying cablegram No. 156 and will make the most extreme efforts to accomplish our object.

As you are aware, from the time when the Washington conference was first proposed by the United States, the Japanese government has attached especial importance to this question of Pacific defences, and our national public opinion has been paying close attention to it. In view of the spirit of the present conference which has for its principal object to prevent competitive armaments, and in view of the establishment of the quadruple agreement for the purpose of maintaining permanent peace in the Pacific, the presentation of this question is considered natural

at this time. When it is desired to effect a limitation of naval power, it must be said to be proper to engage to maintain in status quo the defences of islands which are intimately related with the operation of navies. Although a quadruple agreement has been made concerning the Pacific islands for the purpose of maintaining peace, and although a limitation of military force has been promised, if there is fear of inviting a situation of competitive building of fortifications on these islands by all the powers, our people cannot readily consent to this, and of course there will be no way for the Washington conference to fulfil its original mission. Even from this point of view therefore it is thought that there is sufficient ground for us to claim the maintenance of the status quo of fortifications....

(before)
The army and navy ministries of Japan had discussed just such a contingency before Kato had ever come to America. They had ordered that Hawaii be included in the list of restricted territories if possible, but that was one of the first things they had to concede.

Since the inclusion of the mainland would not be acceptable to other countries and since it would be decidedly unfair to apply the restrictions to Japan alone, provision would have to be made to except this. The government proposed, however, to maintain status quo in its outlying insular possessions remote from any mainland, promised no new military works in the future, and gave permission to the delegates to omit the demand for the inclusion of Hawaii if the United States insisted.

Tokyo-Washington, Conference No. 156,

December 10, 1921.

~~Very Secret~~

Japan
After noting the following concerning the question of Pacific fortifications,
you will take suitable action.

1. It is proposed that Japan and the United States (Japan, Great Britain, the United States and France) shall maintain the status quo of defences on Pacific islands remote from any mainland - "outlying insular possessions"- and in future shall not make any new military works on them (it is intended not to include the mainland of each country and islands adjacent to it, nor any self-governing territory of Australia or New Zealand).

2. This is principally a Japanese and American question, but if the United States wished to negotiate with other countries possessing islands in the Pacific, we have no objection.

3. The inclusion of the mainland of each country in the scope of this matter would probably not readily be accepted by other countries and of course it would not be fair to apply it to the mainland of Japan alone. The Americans may possibly claim that as there is an equality of area between the Philippines and the mainland of Japan, both should be treated in the same way, but the fate of the philippines has nothing to do directly with the life or death of the United States, while on the contrary an invasion of the mainland of Japan would threaten our national existence. As a matter of political values, we have every foundation for arguing that the two cases are not equal.

4. With regard to Hawaii, if there is strong opposition on the part of the United States, there is no objection to agreeing to leave it outside the scope of the application of this matter. . . .

(space)
As ^{space} Balfour had laid Kato's suggestions before him, Hughes wanted to include

France, the Netherlands, and the mainland of Japan in the defence restriction. He must have spoken without thinking, to imagine that Japan would agree to give up her right of self-defence when attacked by restricting fortifications on her homeland.

(*Plut to Tokyo cable*)
(*Ki*) *Ki*run is a port on the north coast of Formosa.)

(*space*)

Washington-Tokyo, Conference No. 185, December 10, 1921,

Very Urgent. ~~Very Confidential~~ *From Kato.*

Referring to your cablegram No. 147 (Note. Not received), in my interview with Balfour on Thursday of last week December 1, I frankly expressed my hope that, since it was hard to think of the question of limiting naval armament apart from the question of South Sea defences, it might be possible to secure some international understanding about fortifications on the South Sea islands. In our interview on the following day, Friday, December 2, Hughes said that this question was not merely one between Japan and the United States, but also concerned Great Britain, France and the Netherlands, and also included the mainland on which I was living (Note. Phrase perhaps garbled). Purposely with the intention of avoiding entanglements, I did not at that time inquire what plan Hughes had in mind, but merely reported the idea to Your Excellency.

Since then I have paid much attention to this question, and have had views exchanged with British naval circles which made it clear that they substantially second our aspirations. I have had a summary of this cabled to the Navy Ministry.

The newspapers here are also continually printing various speculations concerning the deadlock on navy limitation and at the same time about our views concerning this question of naval bases, but they do not publish extreme arguments against it. At the same time preparations were being made with the intention of proceeding again with the discussion of the question of ratio, and the proposal of the American Government may be interpreted as made for the purpose of mitigating the situation of the deadlock on the ratio question.

In the first place, in the proposals drafted by the Army and Navy Ministries before I left, Hawaii was included, but, judging by the atmosphere in this country and the views of the British, we observe that if we strongly claim Hawaii, we shall finally end in a disagreement. I therefore hope that we shall first, on the basis of the proposal of the American ambassador given in your cablegram, propose the maintenance of the status quo in the Philippines and Guam and avoid touching upon the defences of the Japanese islands, but if the United States will not accept this, or in case Great Britain and France shall advocate to the utmost the maintenance of the status quo of the fortifications of Formosa, Ogasawara and the Amami-Oshima islands, I think that it would be to our advantage as a final proposal to secure from the United States the maintenance of the status quo in the defences of the Philippines and Guam, and at the same time to announce that Japan intends to maintain the status quo in Kure, Bouko, Ogasawara, and, according to circumstances, the Amami islands. If at the same time we can add Great Britain and France and secure the maintenance of the status quo at Hong Kong and at some base in French territory, and, according to circumstances, at Singapore, it would be more advantageous. I am sure that it will be more advisable to proceed on this plan and reach some understanding.

At the next meeting I hope to settle the question of the naval ratio and at the same time to negotiate this question.....

(space)
As Hughes objected strenuously to the inclusion of Hawaii in the status quo group

at the first of the four "big three" meetings December 12, Kato gave his consent to its exclusion.

(space)
Washington-Tokyo, Conference No. 215, December 13, 1921.

Very urgent. ~~Very secret.~~

.... First, after I had spoken on the three questions mentioned above as in the outline given in my despatch No. 216, Hughes said, after the preliminary remark that if Hawaii was added to the questions of the equalization of the Pacific defences, he did not desire to touch the question at all; that he had no objection to the preservation of the status quo ante in the Pacific defences in return for the consent of Japan to the 5-5-3 ratio, although the defences of Guam and the Philippines were entirely defensive and not such as to possess any offensive meaning, but that he was saying this under the premise that Japan would guard against creating complications with her advanced island posts. He did not indicate the Japanese points that he meant.

to Balfour then said that he agreed willingly with Delegate Kato's views and also to the preservation of the status quo ante at Hongkong and that it would be the same in regard to Australia and New Zealand as in the case of Hawaii, that ^sif, they shall not be considered subject to the limitations.

I expressed consent to the exclusion of Hawaii, and Hughes and Balfour said that France, also, had no objection.

(space)
[— In the last meeting of the "big three" December 15 Kato reminded them of the fortifications question and they adopted his resolution for the subcommittee on naval affairs.

(space)
Washington-Tokyo, Conference No. 243. December 16, 1921.

Urgent. ~~Very secret.~~ From Plenipotentiary Kato.

..... Upon having called the attention of the rest to the question of the fortifications and naval bases in the Pacific, Hughes said that it had been by no means forgotten. The work of drafting the report to the subcommittee on naval affairs, (my despatch, conference No. 241,) was begun. I introduced the resolution that I had previously prepared in reference to the question of the fortifications and a decision was reached by the three.

Baron Kato reviewed^W~~ed~~ the case for Pacific defence restriction: what had been actually accomplished to date December 24. He divulged that Great Britain had agreed to bind the Hongkong fortifications, but had insisted that Singapore^(Ftnt) be unrestricted. ^(Ftnt to follow cable) Captain Katsuroshin Yamanashi was second to Vice-Admiral Kanji Kato of the delegation of naval experts.) (Hongkong is on the coast of China adjacent to the southern tip of Formosa. Singapore is further south at the extreme end of the Malay states.)

Note that even when the statement was prepared for public announcement, both Hughes and Balfour had neglected to ascertain just which islands were included in Japan's vague agreement. Kato knew that the day would surely come when a definite interpretation of "Japan proper" would have to be made. It was decidedly shortsighted on his part to avoid winning further confidence of England and America by being open and straightforward about this. He should have presented his first concrete proposal as well. Who knows what trouble would have been avoided? It was an opportunity that Shidehara would never have missed if he had had his way. But he was not only engrossed in the problems of the Far Eastern agenda, he was ill and quite unable to devote time and energy in lending his superior diplomacy to his associates.

The Anglo-Saxons said that the soubrette wouldn't object to status quo, but they held her opinion so lightly and her defences so unimportant that they neglected

to mention the subject to her at all. She learned first of this agreement from the public announcement. Surely another affront! She agreed readily enough to this, for it was unimportant to her, but she had her revenge later.

(space)

Washington-Tokyo, Conference No. 281. December 24, 1921.

~~Very secret~~ From Plenipotentiary Kato.

Referring to your cablegram No. 223, on the occasion of my interview with Balfour on December 1, I spoke of the need of abolishing the fortifications in the Pacific or of maintaining the status quo. I then explained the status of Hawai, Guam and the Philippines, belonging to America, and of the Pescadores, Formosa, Ogasawara Island, and ^{Amami} Oshima, belonging to Japan. At the same time I pointed out the position of Hongkong and Singapore, belonging to Great Britain. His interest seemed very much aroused, and he stated that even though the abolition of fortifications would be difficult, the maintenance of the status quo would be reasonable. Nevertheless America could by no means give consent with regard to Hawai. He inquired also about the Loochoo islands.

It is said that Balfour the same day told this in detail to Hughes, and that Hughes said he would consult on this with his two brother plenipotentiaries.

At the conference of the three the following day, Hughes related what he had heard from Balfour regarding the question of Pacific fortifications. He said it would be difficult to discuss Hawai in this, and that this question concerned also Great Britain, France and Holland. ^① he spoke also as though the main islands of Japan were included, but intentionally we did not go deep into the matter on that day.

Later, on the ninth, I had Yamanashi² interview the British Rear-Admiral Chadfield in regard to this question. The latter understood in the main Japan's attitude regarding this question, but he said the United

States would by no means consent to including Hawai. Great Britain had no objection to maintaining the status quo of Hongkong, but he affirmed it was not desired to put a qualification ^{on} ~~of~~ Singapore.

At the meeting of the three on the twelfth I ~~spoke~~ ^{said} of the maintenance of the status quo of the Pacific fortifications, as has already been reported to you. In my declarations at that time I said: "I would like to obtain from you a clear understanding in regard to the principle of maintaining the status quo of the fortifications and naval bases in the Pacific. If the Pacific islands, and especially advance naval bases, such as the Philippines and Guam, are allowed to be fully developed, without any restrictions, into bases where the entire fleet can be concentrated and properly supplied, I am afraid that etc." Aside from the bearing of these words upon the islands of the Pacific, the Philippines, and Guam, no allusion was made to our islands in the Pacific.

At that time Hughes made it clear that if Hawai were to be included, he did not wish to touch on the subject at all.

At the conference of the three on the fifteenth, in writing out the Hughes statement, Balfour said that Great Britain was concerned in Hongkong alone. The wording was not easily decided on.

I had previously prepared for this question in two ways. One was that the fortifications and naval bases of Great Britain, America, France, and Japan should be inserted in a concrete way; but on this occasion I did not bring this one forward, but showed the following which ultimately took the same wording as your cablegram: "Maintaining the status quo in regard to the fortifications and naval bases in the outlying insular possessions in the Pacific region, including Hongkong, but excluding the Hawaiian islands, Australia, New Zealand, and the islands composing Japan proper."

Wherefore, there has so far been no declaration at all concerning our islands and the application to them of the maintenance of the status quo

of fortifications. Nevertheless, we are now very informally arranging beforehand with the British and American specialists as to details of how we shall maintain the status quo.

In regard to heading 3 of your cablegram, at the conference of the three on the twelfth, both Hughes and Balfour said that France would have no objections to the status quo of fortifications, but after that they did not consult with France. The statement of the fifteenth appeared under these circumstances. France therefore had made no decision regarding her islands. However, at the meeting of the naval armament committee, the French plenipotentiaries signified their approval of the provisional decision made by the three countries.

In regard to heading 4 of your cablegram, at the time of the conference of the three, I made no special reference to Singapore. In making the final settlement of the provisional agreement of the three powers, also as stated above, Balfour declared that it was Hongkong only, and, judging also from the tenor of the Yamanashi-Chatfield interview, I considered it useless to say anything further, and made no counter proposal. I think the above "statement" clearly makes exception of Singapore.

In short, I made no special promises in regard to our bases, but if the provisional agreement becomes an actual agreement, I think it would be to the advantage of Japan to lay emphasis on national good faith and to effect the limitation which I recommended to you in conference cablegram No. 248.

People were beginning to ask just what Japan was going to give up fortifying, just what was meant by "Japan proper". Hitherto Kato had been rather evasive, thinking that it were better to leave the term vague and not cross that bridge until he arrived there. Tokyo was insistent that a definite statement be made. The government's

definition of "Japan proper" or the homeland was the territory that came under the internal administration. This included besides the four main islands, Ogasawara and the Amami-Oshima islands. The latter were the northern most group of the Loochoos.

Moreover, no one had thought to ask about Sakhalin yet, and Japan wished it excluded. The mandated Caroline and Marshall islands were, under the treaty of Versailles, to have their fortifications demolished and suppressed. Hence the government wished to limit the applicability of restrictions to Formosa and the Pescadores alone.

(space)

Tokyo-Washington, Conference No. 289. January 9, 1922.

Although your view of the construction to be put on Japan proper in the terms of the provisional agreement on Pacific defences is that it will be right to give a suitable interpretation when the question comes up later on, not only will this mean leaving in an unsettled state a question which presents difficulties in our relations with Great Britain, America, etc., but also in our domestic relations it relates to national defence and must be treated as a question of importance. As a matter of fact, even the ~~four~~ power agreement is related to the question of the homeland, and as such has succeeded in irritating public opinion. Therefore if this question is left to stand as it is, it will again get on the nerves of the people.

Accordingly, it is necessary as a preventive measure to determine the interpretation, and we have decided on an interpretation which will define as homeland such territory as ^{comes} under internal administration. Thereby Ogasawara Islands and Amami-Oshima will naturally be called Japanese homeland and be outside the application of the treaty. Although Sakhalin is not included in the homeland, up to today no question has come up regarding it;

so this is also outside the application of the treaty. Likewise in the matter of the territory of the South Pacific islands there are provisions in the mandate terms for the abolition of fortifications; therefore, no question of treaty applicability will arise with respect to them. In short the islands to be affected by the application of the agreement shall be limited to Formosa and the Pescadores.

We desire to take steps along these lines, but is there any objection to them in the light of the developments at the Washington conference?

Even in case the interpretation in the paragraph above is taken, it is under no circumstances because the Japanese government is opposed to a maintenance of the status quo of defences in the insular possessions.

Accordingly our intention is to announce of our own accord, as necessity may demand, that we will maintain the status quo of defences. However, our wish is to carry out such an announcement at a time chosen by the Japanese Government.

Please cable your views at once.

Kato's mistake came back to hit him like a boomerang less than a month later. When the naval treaty was tentatively announced December 15, the article dealing with Pacific defences later known as No. 19, read as follows:-

It is agreed that with respect to fortifications and naval bases in the Pacific region, including Hongkong, the status quo shall be maintained-- that is, that there shall be no increase in these fortifications and naval bases except that this restriction shall not apply to the Hawaiian islands, Australia, New Zealand and the islands composing Japan proper, or, of course, to the coasts of the United States and Canada, as to which the respective

powers retain their entire freedom. ^{The}
~~New York Times~~, December 16, 1921.

(space)

When the drafting committee was preparing the five power naval treaty for formal signature in January, Kato had to hold up the proceeding to see about Article ~~IX~~^{XIX}. It had taken almost a month for the importance of the Japanese proposal to sink in and when they realized the magnitude of what was being asked of them, Hughes and Balfour in turn did some asking. They demanded status quo for Ogasawara and Amami-Oshima, the first 520 miles south east of Yokohama; the second much nearer, a little south of Kyushu. Both came under the internal administration and hence were entitled to exemption under the terms of the treaty as they stood. Yet, at first, at Washington these islands were assumed to be insular possessions, ~~and~~ not a part of Japan proper and hence to be restricted.

Baron Kato and his naval experts did not consider either Ogasawara or Amami-Oshima sufficiently important to the national defence, if Guam and the Philippines were checked, to refuse to limit them. They were willing to concede these islands even though they were a part of the mainland, Japan proper, if by so doing they could draw the claws of the Pacific forts. They wished to avoid promising maintenance of status quo in their whole territory south of the thirtieth degree parallel, north latitude. Yet this concession of Ogasawara was to be considered one of the three great mistakes of the conference from the Japanese popular point of view.

(space)

Washington-Tokyo, Conference No. 382.

January 10, 1922.

The nerves of the English and Americans having recently become exceedingly tense in reference to the question of the defences of the Pacific, there is a tendency toward their doubting our attitude. The principal point which is now at issue is the imposition upon us of a treaty obligation to maintain the status quo in respect to fortifications and naval bases on Ogasawara islands and Amami-Oshima^{Amami}. In reference to the question of the interpretation of the term "Japan proper", there is no argument whatever and the question is in reference to what form of declaration will be made about the maintenance of the status quo in these insular possessions. We are giving this point much consideration, and, if it can be granted, we desire merely to make a declaration about it at the same time that the treaty is signed.

We consider that it will be an exceedingly difficult thing to obtain the agreement of the English and Americans to this, for the reason that they may wish to have us in the declaration go further and promise the maintenance of the status quo in the whole of our territory south of the thirtieth parallel, north latitude, and it cannot even be easily foreseen whether or not the mere declaration will be satisfactory or whether they will make a firm demand that provision be made to this effect in the treaty.

Recently, in company with the progress of the studies of this question made by the specialists of all the interested countries, all the countries have taken notice of the fact that, by this agreement they will be subjected, unexpectedly, to great restraint and have found out also that there are great complications of the interests of all countries in reference to this question. New amendments to a part of the agreement at once bring about the same necessity for the whole. Under these circumstances it is not possible simply to stand up for our own advantage only and to ignore the sacrifices of all the countries and we are laboring day and night for whatever satisfactory settlement may be gained.

Finally, if there is not a compromise effected to the extent of an amendment providing for an annex to the treaty to the effect that the status quo will be maintained in our territory south of the thirtieth parallel, north latitude, it is feared not only that the agreement will be ineffective, but also that a bad influence upon the entire question of defences will result. As yet, it is impossible to make a forecast, on the spur of the moment, in regard to the future changes in these questions, but although this is only my personal opinion, I present it for your consideration. It is intended that the questions of limitation of armaments shall be brought to a close during this week, and it is therefore requested that you bear in mind the fact that there will be no time to ask for your instructions on each individual item, and if you have opinions in regard to the above, I request that you send them by cable as soon as possible.

(space)
General Kunishige Tanaka, head of the army advisers to the Japanese delegates,

had got the jump on Kato and complained about the British and American demand to his

boss, the Chief of Staff, General Y. Uye^{he}hara. As a consequence U^chida advised Kato not to follow any changes. (See below, Page , for A 42.)
(Front to follow cable)

Tokyo-Washington, Conference No. 300, January 11, 1922.

Urgent.

According to cablegram No. A 42¹ from General Tanaka to the Ministry of War, regulations concerning the fortifications question have been drawn up by the British and Americans and it appears that Great Britain wishes to limit the restriction zone to north of the equator. This agreement in the first place is based on a Japanese proposal and we attach great importance to it. It would therefore be very difficult for us to approve various further changes

being made in it.

We think that the substance of this agreement should be kept as it was published, and the policy of the Japanese Government is to interpret its application as explained in our cablegram No. 289. You will therefore make every effort that no changes be made in the agreement.

On January 7 the English had presented a proposal to define the limits of applicability of status quo territory to that included within the parallelogram formed by the equator and thirty degrees north latitude and 110 and 180 degrees east longitude, as one of three presented by America, England and Japan for drafts of the Article ~~XIX~~. Plenipotentiary Kato in great detail analyzed the moves that led the British and Americans to oppose the article as originally announced and added his opinions and advice as to the proper response.

He realized that a simple declaration of desistance from fortifying Ogasawara and Amami-Oshima would not be sufficiently binding to satisfy the British. It had been another case of haste making waste. All three countries had been so eager to announce some sort of accord to allay ^b public opinion on December 15 that both Balfour and Hughes over-looked important points. Balfour heedlessly, without due thought, agreed as to the applicability to the whole Pacific only to find, on second^p thought, that all the British possessions in the South Pacific were included as well.

The soubrette was the first to realize that some other important exceptions would have to be made and asked to have Indo-China excluded. Kato replied that, if that were

with alacrity. When things appeared at loggerheads, Kato moved that France and Italy be excluded altogether from the applicability of the treaty to simplify the final settlement. Though this was agreed, it did not quiet the suspicions of the English delegation. They insisted upon the inclusion of Ogasawara and Amami-Oshima,--they gave the Japanese delegates to believe that the whole treaty would fall through, that all restrictions would have to be abandoned, unless these islands were included even though they were a part of Japan proper.

HP
Lord Arthur Hamilton Lee, first lord of the admiralty, states that he would never be able to explain this to parliament if it were not done,-- even though this restriction idea was Japanese in the first place! He was plain-spoken in his distrust of their good intentions, in spite of the fact that Baron Kato stated that there were no works on Amami-Oshima and construction had been ordered stopped on the newly projected forts at Ogasawara. If Japan proper had been defined on December 15, this suspicion would never have arisen. Though Kato pointed out that the British proposal would leave loopholes to endanger Japan's national defence by permitting the fortification of the Aleutian archipelago, the British would not hear of including the area of the entire Pacific.

The problem was referred to the "big three" for solution, but the British and Americans continued to unite privately against Nippon to the latter's great alarm. Roosevelt called on Kanji Kato, Plenipotentiary Kato had Balfour to dinner. Balfour and Hankey called on Plenipotentiary Kato. Still no agreement was reached. The British

naval experts had been cherishing the hope of building new forts in Australia and New Guinea

Kato granted this, even granted the inclusion of Ogasawara and Amami-Oshima, but he feared what the folks at home would say when they learned that the whole Pacific was not to be included as originally announced.

When the "big three" met on January 10, Balfour and Hughes kept silent, putting Kato on the defensive. He stressed that changes in the article would complicate domestic policy and hoped that they might be cared for in a simple declaration to that effect outside the treaty. Hughes at first consented to an exchange of notes and admitted that the suddenness of the original announcement had resulted in an obscure and indefinite text. Balfour reiterated that it was indistinct, slipshod and indeterminate. He blamed Hughes for his haste in adopting it. It certainly needed to be revised for the final treaty and no amount of explanatory notes would be satisfactory. Only quotation of definite latitude and longitude would do.

Kato for some reason or other was very much averse to defining Japan proper in treaty form. Yet even he saw the ridiculousness of insisting on the necessity of maintaining status quo in the Pacific south of the equator as a protection from foreign menace to Japan. His naval experts wished the parallelogram to be narrowed from the 180 to the 150 meridian in order to omit the mandated territories already limited under the treaty of Versailles. Theirs was the forlorn hope that should the League break up, they would be at liberty to fortify. Kato thought Uncle Sam too shrewd, however, to allow them to get away with this loop-hole safely.

He urged the government to accept the British proposal, for under it they would be at liberty to work their will with Korea, its adjacent islands and the Kuriles, besides obtaining the two most important requisites, the Philippines and Guam. Anything to prevent the omission of Article ^{XIX} ~~entirely~~ entirely.

(EXT. to follow cite)

The drafting committee of naval and legal specialists consisted of the following representatives from the five countries:

America:

Col. Theodore Roosevelt, assistant secretary of the navy.

Admiral Robert E. Coontz, chief of naval operations.

Captain William V. Pratt.

Dr. Fred K. Nielsen, solicitor of the Department of state.

Dr. George C. Wilson, Harvard.

England:

Rear-admiral Sir A. E. M. Chatfield, assistant chief of admiralty staff.

Sir John Jordon, (?) of the foreign office section.

Captain B. E. Domville, (?) director of plans.

H. W. Malkin (?) of the foreign office section.

F. Ashton-Watkin (?) of the foreign office section.

France:

Admiral Ferdinand de Bon, naval expert.

M. Kammerer, political expert.

M. Duchesne, expert on colonial affairs.

Admiral Froche.

Italy:

Vice-admiral acton, chief of staff.

Commander Ragadeo.

Dr. Pogliano.

Japan:

Vice-Admiral Kanji Kato, head of naval experts.
Dr. Sakutaro Tate, Special appointee of foreign office,
Captain Y. Uyeda, naval aide at Washington embassy,
Dr. Yotaro Sugimura, secretary of the foreign office.
Kiuokawa, unidentified.)

Washington-Tokyo, Conference No. 393, January 11, 1922.

Very Urgent.

On the afternoon of January 10 a meeting was held of the chief plenipotentiaries of the five countries. Besides discussing the draft of the treaty text on limitation of armament, there was discussion also of the question of Pacific defences prescribed in Article ~~XIX~~^{XIX} of the treaty. Arguments of one kind and another were advanced one after the other, but no points of agreement could be found between the British and American claims and our interpretation. Consequently we were obliged to promise to redetermine our attitude after getting fresh instructions from home. The meeting then dispersed.

We are reporting to you below the latest developments in this question, at the same time giving our humble opinion as to counter-measures. We await your return instructions.

In regard to this question it was decided by the law specialists on January 7 in an informal preliminary meeting for drafting the treaty text (Drs. Tachi, [En. Note, Possibly, Tate] and Sugimura represented us) that it was best to obtain the decision of the plenipotentiary council with respect to it, for the reason that the substance of the provisions had as yet not been fully determined. Mr. Hughes, however, decided that for the purpose of forming a basis for discussion by the plenipotentiaries, an original draft should be drawn up by a joint drafting committee composed of naval and legal specialists.

This meeting was held the afternoon of the same day. (There were present from Japan; Vice-Admiral Kato, Dr. Tachi, Ueda, Kiyokawa, Uyeda, Sugimura; from America: Roosevelt, Admiral Coontz, Rear-Admiral Pratt, and Drs. Wilson and Nielsen; from Great Britain Rear-Admiral Chatfield, Dr.kin, Admiral Dundoyle and others (Probably, Domville) ; from France Vice-Admiral de Bon, ...Kammerer, Bureau Chief Duchesne, Admiral Froche, and others; from Italy, Vice-Admiral Acton, Commander Ragadeo, and Dr. Pariano (Note: Pogliano?!)) Treaty drafts with respect to this question were submitted by Japan, Great Britain and America respectively.

Of these three proposals, the British proposal as given in my accompanying conference No. 394 cable, limits its applicability to between the equator and 30 degrees north latitude and the 180 and 110 meridians east longitude. It forbids the further addition of naval bases and fortifications within this area, and provides that the principle of the maintenance of the status quo shall apply to those which now exist.

The American proposal relating to this (see accompanying conference No. 395) and the Japanese proposal (see accompanying conference cablegram No. 396) are supposed to take in a general way as their basis the text announced by the secretary of state (see my cablegram No. 240 (Note. Wrong number)).

The primary object of the British in having this article apply solely to a special area of the Pacific, is not only to make us merely actually and voluntarily carry out this provision with respect to desistance from fortifying Ogasawara and Amami-Oshima, but through recognition of this article in its relation to such desistance, to shoulder us with a national responsibility. When this agreement was previously made between the Japanese, British and American plenipotentiaries, the situation, from a regard for the trend of public opinion, demanded hasty settlement and publication. On that account Mr. Balfour inadvertently recognized the applicability of this agreement to the entire Pacific. Later on, however, the British

specialists and others were greatly dismayed on finding that all the vast British possessions in the South Pacific were included in the scope of the application of the treaty, and set about to find a way out of this burdensome obligation. This we think is how the British came to make this proposal.

The discussion began by the French proposing that Indo-China be placed outside the scope of the application of the treaty. We said, if that were to be the case, then it would be necessary to add a provision making exception also with respect to Korea. The reply was that unless there were something in this unforeseen by France, consent would not necessarily be withheld (as to excepting Korea).

As there seemed no indication that the proposal would be readily withdrawn, we took the floor again and described how the conference had progressed from its beginning when it comprised only Japan, Great Britain, and America. It would be difficult to add France now, but we suggested that it would be fair to have the treaty draft amended so as to be applicable only to Japan, Great Britain, and America, and not binding on France and Italy. Consent was finally given to this.

Then Lord Lee made the claim to Kato that it would be a great injustice if Japan, in spite of Great Britain's formal promise to maintain the status quo of defences at Hongkong as her treaty obligation, did not, for the sole reason that Ogasawara and Amami-Oshima were included in Japan proper, assume some definite treaty obligation with respect to desistence from fortifying these islands. He really had no confidence and he was utterly at a loss as to how he on his return home would ever explain this point before the British parliament. He wished it by all means recognized in an express provision that the agreement was binding with respect to the above two islands.

Kato repeated his explanation that in Amami-Oshima even in the present day there were no fortifications. In the island of Ogasawara work had only

been begun recently, but orders had already been given for its discontinuance. Japan had absolutely no desire to attempt to fortify these two islands even at a future time.

Lord Lee said bluntly that to be sure Japan's present cabinet wished to desist from making fortifications, but a guarantee certainly could not be given today as to whether or not future cabinets would preserve perpetually the same policy. As a matter of fact one really could not help feeling uneasy, when, while the British had felt sure from the outset that both these islands were restricted by this agreement, the claim was made now that these islands were not subject to treaty obligation, basing the claim on the acceptance of the words "Japan proper" as used temporarily in the meeting of the three chief plenipotentiaries on December 15 and used then under the necessity of having the agreement drawn up promptly. If such were the case, the spiritual ~~value~~ of the agreement would be well-nigh nullified.

Kato then explained what our real motive was, and at the same time he stated again that if this were compared with the way Hawaii was ordinarily taken as American mailⁿland, there was no reason at all to be suspicious even if the above-mentioned islands were considered Japan proper. He said it was decided without the slightest doubt in the meeting of the three chief plenipotentiaries that as the heat of discussion rose too high without getting any results at all, this matter should be carried over into the question of demarcation of the Pacific and that the decision made then should be applied to the entire area of the Pacific. The fact that the coast of Australia and New Zealand, also of America and Canada, were excluded from the application of this agreement was proof in evidence that this agreement was applied to the entire Pacific. To limit its scope now in spite of this fact was something which could not be yielded, and looked

at from whatever point. If the British proposal were acted on, America could easily carry out the fortifying of the Aleutian Archipelago, and this again would occasion a grave menace to our national defense^c.

Lord Lee insisted stubbornly on his proposal and the atmosphere of the conference became worse minute by minute, ~~and~~ accordingly we suggested that the question be transferred to the conference of the three leading plenipotentiaries.

The discussion finally ended thus, but the British delegates, in spite of the discussion having ended, continued in intent private conversation with the American delegates, thus creating a serious situation.

As a result of such discussion of the question, the Americans also seemed to become aware finally of the importance of what was involved. On the following day, the eighth, Roosevelt called on Vice-Admiral Kato and recommended that something or other be done to settle this question satisfactorily, and at the same time even spoke as though he sympathized with the British proposal in regard to the question of demarcation of areas in the Pacific that were to be fortified.

Kato said emphatically that there was no reason at all for this, and at the same time showed him that ^{we} were acting in good faith and hoped at this time there would be no unnecessary misunderstandings.

Roosevelt went away with the appearance of having understood sufficiently.

Since the situation had come to be a very anxious one as a result of the strengthening of various suspicions and conjectures of this sort on the part of the British and Americans with respect to our attitude on this question, Plenipotentiary Kato took occasion to tell Balfour at a dinner on the eighth, to which he had invited the latter, that he earnestly hoped there would be no misunderstandings.

On the ninth, Balfour called on this plenipotentiary and began talking at once on this subject. First he explained that there was reason for the British naval experts cherishing the hope that the scope of the application

of this agreement would be defined. At the same time, they wished in the future to make fortifications in Australia and New Guinea, and on that account had stated that they wished to have exception made of these.

Plenipotentiary Kato replied that the officially announced draft of December 15 had already been reported at that time to the Japanese government, and the government had publicly explained this to the representatives of our diet. Because of these circumstances Japanese public opinion had come to believe that this agreement as a general principle was to be applied to the entire area of the Pacific. A very dangerous situation in our domestic affairs would be brought on if, regardless of this, any such thing were done as to cut this treaty down now to north of the equator and to limited areas. He wished this point particularly understood.

However, Kato said he himself had no objection, in the matter of making exception of New Guinea alone, to making that exception under the interpretation that it constituted a part of Australia; likewise he stated that he had not the slightest objection even to specifying formally, in an express provision, the exception of Ogasawara and Amami-Oshima.

Mr. Balfour understood fully and thanked us for our goodwill. (Hankey who accompanied him appeared to be in a somewhat uneasy frame of mind). Balfour departed saying he intended to proceed to take the matter up with the Americans.

In the meeting of the chief plenipotentiaries on the tenth, the question of Pacific defences was finally taken up for discussion, but the British and Americans both kept silent, not saying a word.

Kato of necessity then took the floor and said he heard there was a tendency for suspicions to creep in regarding the scope of the application of the agreement as to defences. So far as Japan was concerned there were no differences of opinion whatever regarding the agreements made between himself, Mr. Hughes, and Mr. Balfour. That was to say, the application of

the maintenance of the status quo would of course be accepted. There was not the slightest objection even to an official declaration to this effect. However, any move such as a change just now in the provisions of the announced text would create difficulty in our domestic policy, so, if they could, he hoped they would announce it in the form of a declaration. Furthermore, there was no objection to giving international and formal validity to this declaration. (We for our part had in readiness a declaration practically identical in form to the declaration relating to the restriction and treatment of laborers going to the United States of America which was published at the same time that the Japanese American treaty of commerce and navigation of 1911 was signed).

Hughes, seeming to have some misunderstanding in regard to the declaration form, said it would be better to have instead an exchange of notes. He had not been noticed originally to have been particularly opposed to our attitude, but he said that as the discussion progressed various questions had presented themselves. The announcement of December 15 had been drafted rather suddenly and its meaning was in fact somewhat obscure. In order to make clear the limit of its application, it was absolutely necessary to show it in terms of latitude and longitude. He suggested that the Japanese had not intended to put this agreement in the treaty as the final text, but merely to submit it to the specialists.

I replied that it was my intention to have the wording of this agreement as it stood inserted in the treaty and to take the above described measures to interpret it.

Balfour said that the meaning of the announcement was not clear. It was unnecessary at the present time to repeat the fact that Hughes had adopted it hastily, etc. In spite of the fact that the principal purpose of this agreement was to make a provision concerning the Pacific islands, the word "islands" actually did not occur in it. This showed how slipshod and indeterminate it was. It was really hard to understand the real motive

of the Japanese in wishing to have so slipshod a provision inserted in the text of the treaty.

I said that I did not feel that the text of the announcement was necessarily defective. If it made clear to what islands belonging to Japan the maintenance of the status quo was to apply, I thought that it was satisfactory. In the matter of form, I had not the slightest objection to an exchange of memorandums. I hoped that the discussion of practical steps would be continued.

Hughes and Balfour, however, did not change their attitude. Hughes said that the Japanese apparently wished to put this general provision in the treaty and to provide for details by memorandums. Spreading over on two sheets of paper what could be put on one would be a useless bother serving no purpose. He asked whether it was the intention not to publish the declaration or the memorandums. I said that this was by no means the case. Balfour said that however many words were used, he was quite unable to understand the intentions of the Japanese.

I said that when we now come to defining the meaning of the phrase "islands composing Japan proper", it is the same whether we put them in the treaty or whether we put their meaning in a declaration or memorandum, but the treaty is a very undesirable form and we by all means wish to avoid it.

Hughes and Balfour spoke alternately to the following effect.

While this conference was discussing the 5-5-3 ratio question, the fortifications question was raised by Japan. At that time the British and Americans, in order to lessen the menace which Japan felt from them, with hardship assented to this agreement. If therefore this agreement achieved its purpose of assuring the tranquility of Japan which had proposed it, it must be said that Japan's purpose was fully realized. It was then not easy to ignore the incompleteness of the text of the announcement and on

the contrary to insert it in the treaty. They thought that it was a better policy to define the limits of the application of the treaty by latitude and longitude.

I said that if the British and Americans had any draft in reference to this, I had no objection to considering it. Balfour brought out the chart which he had shown me the previous day and repeated with emphasis the same ideas which Hughes had expressed. Japan had secured an assurance of tranquility with respect to its national defence. What necessary reason was there for her to go on to demand an extension of the application of this agreement to regions which had no immediate relations with her? As long as there was no modification in the essential nature of this agreement which Japan had secured as the sole compensation for accepting the 5-5-3 ratio, was there any reason for her to oppose the British proposal?

Hughes seconded Balfour's remarks and insistently urged me to respond favorably, but I said that it was impossible for me to accept of my own discretion anything beyond an exchange of memorandums or the publication of a declaration. However, I would not definitely say "yes" or "no" until I had asked my Government for instructions about changing the provisions of the announcement.

They said in that case they wished I would arrange to ask for instructions. I necessarily agreed to this and the meeting closed.

In this fortifications question, I think that Japan's principal contention about [Ed. Note. Possibly, not defining in treaty form] Japan proper is fair. Our specialists say that the British proposal for the 180 Meridian as the line of demarcation is merely imposing an additional limitation on the limitation which already applies to our mandated territories and is therefore meaningless and that the 150 Meridian would therefore be better. They say that the British would probably not object to this. This seems reasonable, but, if the League of Nations should break up in the future, we would again be at liberty to fortify these islands and therefore there is

with favor. This is just by way of a reminder.

This question has now become complicated and our position has fallen into difficulties which it was practically impossible to forecast and which are a matter of inexpressible concern to me. When we come, however, to deciding our attitude concerning this question, I think that it is necessary by all means to judge the situation calmly and to make clear the advantages and disadvantages involved in it.

The British and Americans now ignore and disregard the announcement of December 15. In the light of reason we cannot overlook the injustice of their attitude, and, as it will uselessly arouse our national feeling and make the position of the Government difficult, it is not merely a question of morality and texts, but even considered from the point of view of policy there are numberless important reasons why we should not immediately give our consent at the present time to the British and American proposal. Still when we look at the other side, the only basis we can take with respect to the British and American contentions is the announcement of December 15 which the other side characterizes as slipshod, and, when I recall the circumstances of the time when the announcement was drafted, I recognize that it was inevitably imperfect. However long we continue debate on the basis of the announcement, we shall not get the consent of the other side.

Now if the question of the Pacific fortifications be considered from the point of view of their connection with our national defence, it is a significant and important question, but when we try to make it apply even to the islands of the South Pacific which have only a slight military bearing on us, it must be said that however valid it may be as a political argument, its value as a practical question of national defence is little. What is more, if no agreement is made about Pacific fortifications, it will be a hard blow to us, but the British and Americans would feel no particular concern about it.

If I may state my opinion frankly, I am convinced that if we should now approve the British proposal as it stands, there would be no reason to feel that our anxiety about national defence was increased. In the text of the announcement there was some doubt about the interpretation, and, as Korea and the adjacent islands and the Kurile islands are places entirely outside the sphere of application of this agreement, it is quite impossible to interpret this British proposal as giving us only disadvantages.

We fear that if we adopt an attitude of the utmost opposition against the British proposals, we may make the British suspect that we have some ambition in respect to places south of the equator. The result of adopting the British proposal would be to place the LooChoo islands, for example, within the sphere of the maintenance of the status quo and for a long time in the future we could not fortify them, but as long as Formosa and Amami-Oshima are included in that sphere, a demand on our part for the special exclusion of these islands which lie between them would only uselessly invite suspicion on the part of the British and Americans without accomplishing any result. Furthermore, if this treaty is made, we feel that it will not be necessary to fortify the LooChoo islands.

In short, if we now yield and accept the British proposal, there will be no great harm done us in respect of national defence. The British proposal in fact has large resemblances with and small differences from the studies which we have formerly made with respect to Pacific fortifications. In view of the course of the conference during the past few days, I think that there is not prospect whatever of carrying through our contentions. If we persist in our demands, we shall inevitably produce a difficult situation and, with small advantage towards Great Britain and the United States, the fortifications question will finally end in a rupture. Japan alone would feel the disadvantages which this situation would produce. Therefore, considering our wider interests, I think that there is nothing to do but patiently to agree to the British proposal.

This delegation understands very fully the greatness of the extent of this concession and that it will place the government in a very difficult position, which it regrets inexpressibly, but it is our firm belief that as long as we, through this treaty, impose an obligation to maintain the status quo in the wide-spread Philippines and in Guam, whatever may be the theoretical merits of the case, in practice what we get is sufficient to offset what we lose.

When you have arrived at your judgment in regard to the above circumstances, in view of the situation at home and abroad, we hope that we will be given discretion. The whole armament limitation question is ready to be concluded awaiting instructions from you and we therefore very urgently desire instructions.

(apace)

After the British parallelogram proposal came out in the press, January 12, 1922, rumor had it that it was to permit America to buy and fortify the Galapagos islands near the Panama Canal and to permit the British to arm the strait between Australia and New Guinea. The last of these was correct, but the first, as we have seen had not yet occurred to Hughes. At least he made no mention of it in any discussions that we have overheard. As we see later, the Panama Canal and its vicissitudes had slipped his mind completely.

The story continued in the press for several days. January 13 they said Japan objected to the British plan because it included the Bonin ^s islands or Ogasawara and the Nansei islands which were part of the Loochoos. Two days later according to report, the Japanese experts in America consented to maintain status quo in the two disputed island groups, but Tokyo opposed it. Tokyo was said to offer in return her own parallelogram of a large

square on both side of the 180 degree meridian and on both sides of the equator.

Singapore, Australia, and New Zealand were definitely excepted from the agreement on January 17. But it was not until January 24 that everyone agree to specify the places to not be further fortified.

After much cabling back and forth and many conferences, it resulted finally in the British drawing up their paragraph and the Americans theirs. Balfour was particularly anxious to provide for the omission of New Guinea and its adjacent islands as well as Singapore. The local constituents were playing havoc with idea of changing the announced agreement and making things uncomfortably warm for the Japanese government. Consequently Uchida had again and again begged Kato to get the English and Americans to reconsider their demands, all to no avail. Japan was surprised and pained. Kato feared for the good will toward England. Balfour was firm.

(Apore)

Washington-Tokyo, Conference No. 502.

January 23, 1922.

~~Very Confidential~~

From Plenipotentiary Kato. *Radio Intercept.*

At 6 P.M. on the twenty-second I had an interview with Balfour. The latter opened the conversation by saying that Hughes had informed him that morning of the details of the fortifications question, and had told him that the Japanese government had been put in an awkward position and was in difficulties about this question. There appeared to be more or less misapprehension about the circumstances of the introduction of the British proposal. The fortifications

question had come up during the discussion of the ratio question. He had wished to meet the wishes of Japan and there was by no means ~~at~~ a great difference. It was a matter of extreme regret to him that such complications had arisen.

I replied that in view of what he had said I would not repeat what I had said to Hughes. There should be no further misapprehension about the motives of the presentation of the British proposal, and if there might be any among the Japanese people we should work to remove it in future. The British proposal was a great change from what had been published at the time of the announcement and this had greatly hurt the feelings of our people and caused popular excitement. The people and especially important political figures, etc. were taking an attitude of strong opposition to the British proposal and the Government was concerned lest the excitement of popular opinion might have a bad effect on relations with Great Britain. I felt the same anxiety. The government was thus in a very difficult position and I wished him thoroughly to understand the circumstances.

Balfour apologetically repeated what he had said before.

I said that the views of the Japanese government were those which I have described above, and that under these circumstances I wished to trouble him to consider the solution of this question. I showed him the proposal in your cablegram.

Balfour said that as Hughes would probably discuss matters concerning the United States he would express an opinion only concerning paragraph 2 which concerned Great Britain. He proposed the amendment which I send in cablegram No. 503.

After looking it over, I asked what was the meaning of the phrase "its territories". Balfour replied that it did not mean the ... ^[Ed. Note. Possibly, English] mandated territories, but its principal purpose was to exclude New Guinea and the islands adjacent to it. The word "territories" was used in the Australian constitution and

they hoped that it would be used here. The reference to the one hundredth meridian appeared superfluous as it was already clear from our draft, but it might give rise to a question as to whether Singapore was included and this he wished to prevent.

I replied that I had no objection so far as concerned this.

Balfour had a worried attitude and explained these two points in a rather supplicating way. Finally he asked whether since the conference was close to its conclusion, it would not be possible to decide this question as soon as possible and to accept this proposal. I replied that it was formally necessary to ask instructions of my Government.

As I have not yet had another interview with Hughes, I do not yet know the attitude of the United States, but regardless of this I hope that you will even against your will accept the text proposed by the British and I wish to trouble you to send me instructions at once so far as concerns this British text.

(Appendix).

In making our draft we have been eager to use the words "Japan proper" and have been at great pains to do it but could find no clever way. If we should wish at all costs to use these words, it would react to produce difficult questions. We wish to inform you that this was the reason that

we did not use these words in carrying out the instructions of your cablegram.

(apare)

Just six weeks after the first announced draft of Article ^{XIX}, Hughes made some

important reservations that he admittedly overlooked on December 15, 1921: 1. He

specified the status quo to be that of the day on which the treaty was to be signed.

2. He added that status quo should apply to future acquisitions. 3. He wanted the

Panama Canal zone and Alaska excepted from the restrictions, confessing that they

had been omitted by oversight. 4. He wished Okinawa, on the Loochoos, large island

south of Amami-Oshima to be added to the islands Japan intended to maintain in status quo and refused to reconsider though Kato foresaw clouds of trouble at home.

(space)

Washington-Tokyo, Conference No. 510. January 23, 1922.

Referring to our cablegram No. 499, I called upon Hughes at 6 P.M., January 23. As a counter proposal to the proposal given in our cablegram No. 500 he presented the proposal given in cablegram No. 511. He gave the following explanation:

1. The American proposal substantially respected the principle and spirit of the Japanese proposal and endeavored to maintain them as far as possible.
2. In order to make precise the meaning of maintenance of the status quo, it clearly specified the maintenance of the status quo on the day of the signing of the treaty.
3. The reason for the form of paragraphs Nos. 1 and 3 was that the Japanese proposal gave the feeling that a general restriction was imposed on the islands of the British Empire and the United States in the Pacific while on the other hand the impression was produced that Japan would maintain the status quo only on four islands, but by making the form the same as for the British Empire and the United States the new plan would not give the general public and especially senators, etc., the first sight impression of unfairness.
4. It was thought proper to include in advance a specific provision that the principle of the maintenance of the status quo should apply not only to the present island possessions of the interested powers but also to any islands which they might in future take over or acquire in any manner whatsoever and for this reason a provision to this effect was inserted.
5. In paragraph 1, the part concerning the United States, the provision

about the Panama Canal Zone and Alaska had been added to the original draft be-
cause, in view of the provision that Japan should be free to fortify the Kurile
Islands, it was thought that there would be no chance of ratification by the
senate unless this addition was made. The omission of a clear provision on
this point in the announcement of December 15 was an absolute oversight due
to the fact that in the haste at the time of the announcement there was no
time to draft an accurate text. Now when a definitive text was being drafted,
it was absolutely necessary from the standpoint of the United States that such
a provision be added. It was hoped that Japan would give particular con-
sideration to this and would accept the provision.

6. In the part concerning Japan in Paragraph 3, Okinawa had been added
because it would be impossible to explain to the senate the reason for excluding
Okinawa which was further south than Amami-Oshima and nearer to the Philippines
and because it was felt that Japan would not find it so difficult as a question
of form if a promise for the maintenance of the status quo on Okinawa were
made together with the provision for Amami-Oshima. (With regard to this point
I explained to Hughes that, passing over the question of the military aspect,
this question involved unforeseen difficulties in connection with Japanese
internal politics and it must be expected that it might produce a serious
political situation and put the government in an extremely difficult position,
and asked him to reconsider, but Hughes merely repeated what he had said and
did not wish in the least to withdraw his proposal.)

7. One or two other verbal amendments had been made, but none of them were
important.

The foregoing, Hughes earnestly said, was a counter-proposal which had been
drafted after really earnest consideration and in a spirit of concession. Balfour
also had approved it. The conference was now on the verge of concluding and
the failure to settle this question was giving the appearance of uselessly com-
plicating the situation. He hoped that Japan also would give thorough consideration

to the American position and contentions in a spirit of goodwill and concession, and work to achieve a satisfactory conclusion at the earliest possible day.

To this I replied thanking Hughes for his goodwill and stating that I could not definitely answer until I had formally asked for instructions.

I think that the addition in Paragraph 1 of the American proposal may require more or less consideration, but, considered as a practical question and in view of its relation to our Kurile islands, I feel that it will be hard to go to extremes in opposing it.

With regard also to the American proposal for the inclusion of Okinawa in Paragraph 3 it may be supposed that there is considerable reason in the American point of view, but I thoroughly understand that ^τhis question will make the political position of our government very difficult and I particularly emphasized this point to Hughes and urged him to reconsider, but could get no response. The Japanese people are very nervous about the fortifications question, and I very much regret to bother the cabinet repeatedly about this difficult question, but the American attitude is as I have described it above and they will consent to no further concessions. If this question is ³solved, the whole treaty for the limitation of armaments will be decided, and I am afraid that a general impression that Japan alone is delaying this consummation by persisting in its claims will have a very disadvantageous effect on us. I therefore very much hope that from considerations of large policy you will give your consent to the American proposal.

I am deeply concerned about the difficult position of the government, but after repeated consideration I am obliged to take this position, and I earnestly request that in view of the practical situation at the conference here you will ^make a prompt decision and give your consent.

(space)

(possible chapter break)

The attitude of the delegates from Japan and that of their official advisers was unexpectedly conciliatory throughout, even that of the representative of the chief of staff.

Six different times Plenipotentiary Kato pled with Tokyo to accept England and America's proposals. As early as December 10 he tried to find a common ground that would be readily acceptable to America and England.

Though the army and navy ministries had demanded the inclusion of Hawaii, he was willing not to press that point. Moreover, he suggested two possibilities for wording of the defence clauses; as we saw above in Conference No. 185.

Hawaii was definitely excluded at the meeting of the "big three" on December 12, and Kato consented readily enough. (See No. 215 above).

Baron Kato's ideas on why it was necessary to be vague about the interpretation of "Japan proper" until it was absolutely necessary to define it are set forth in a cable home December 16. He negotiated with Balfour and Hughes and had practically agreed not to fortify Formosa, the Bouko islands, the Bonin islands and Amami-Oshima. Still, the last two groups, the Bonins and the Oshimas were integral parts of Japanese territory and as such exempt from restriction under the general clause.

He knew the people would rush to accuse him of imperilling the national defence by his willingly restricting parts of Japan proper and that they would be loud in accusation of treason. He knew that they would agitate against ratification of such a clause and upset all that he had accomplished in getting England and America to agree. As long as the Philippines and Guam were restricted, the minister of the navy himself felt that it was no longer necessary ^{to} fortify the major parts of the homeland. Tsushima and Iki, two

islands that lay in the channels between Kyushu on the east and Korea and Nagasaki on the west, were not mentioned. He merely believed in putting off the evil day as long as possible, for he knew the furor it would create at home.

(space)

Washington-Tokyo, Conference No. 248

December 16, 1921 ©

~~Very confidential.~~ From Plenipotentiary Delegate Kato.

It is expected that there will be considerable discussion about the interpretation of the phrase "islands composing Japan proper" with reference to the Pacific defences mentioned in the provisional agreement between three Powers made yesterday, the ¹fifteenth, but it is not at this time necessary to fix upon an interpretation. It is feared that, depending upon the interpretation, Japan might take a course not corresponding to the substance of the negotiations which I have carried on with Balfour and Hughes since the beginning of the discussions of this question, and that this might have undesirable effect upon diplomatic relations, especially relations with the United States.

The practical question is that, as the maintenance of the status quo in the Philippines and Guam is very advantageous to the national defence of Japan, the status quo should also be maintained in Formosa and the Bouko islands to offset this. Although it is believed that the interpretation should be made that the Bonin islands and Amami-Oshima are integral parts of Japanese territory, under these new circumstances the building of fortifications is no longer necessary and they can be discontinued. Of course freedom of action is not restricted in the islands of Tsushima and Iki, and therefore I consider that there is no practical necessity for the present to go into the interpretation of the phrase

above mentioned and that if the question comes up in future, a suitable interpretation can be made.

(space)

A further explanation of his satisfaction on getting Guam and the Philippines restricted and his views on Japan proper are revealed in a summary of accomplishments which he sent the consul in San Francisco to hand to ⁿⁿSeigoro Yokota, the director of the legislative bureau, who was on his way home.

(space)

Washington-San Francisco, Conference No. 251. December 23, 1921.

Urgent.

It is desired that you paraphrase the following and hand it to Yokota, President of the Bureau of Legislation:-

The following summary of the progress of important questions after your departure from here is given for your personal information only.....
..... Regarding the other question, the decision was made that the fortifications and naval bases at the Philippines, Guam, Hongk^ong and all islands of Japan excepting "the islands composing Japan proper" shall be kept in the status quo.....

.....Taking up the question of the fortifications, judging by the atmosphere here and the views of Great Britain, not only would it have been totally impossible to get an agreement to maintain the status quo in Hawaii, but also it can be said that we attained our objects for our national defence in the keeping of Guam and the Philippines in the status quo. These are the circumstances of the above mentioned agreement. Only, in reference to the term "the islands composing Japan", the question as to what places are meant, will be given an interpretation later when a concrete question arises. It will be the best policy for our authorities not to give an interpretation regarding this immediately at present.

On January 12 he begged Uchida to consent to the British plan of specified parallelogram as salvaging a part of their original wishes^S. Though acceptance of the ratio was dependent on acceptance of their status quo proposition, the Japanese were the only nation particularly concerned about limiting defences. They were in the positions of beggars. They had to take whatever provision was offered. Kato pointed out that refusing to accept the British plan would be refusing to accept limitation of fortifications and hence would be cutting off ~~to~~ their own noses. They would be the losers in that step.

He saw at once that their only reasonable grounds for insisting on limitation below the equator lay in inconsistency with the already published text, but he acknowledged that there were other inconsistencies and minor changes. Those that the Japanese had wanted he complained not of. He saw at once that the whole proposition would fall through if Amami-Oshima and Ogasawara were not definitely included in the treaty. He saw that this time no "gentlemen's agreement" would do.

The English and Americans certainly had the Japanese just where they wanted them. For if the Japanese continued to oppose either the new restrictions or the ratio, the results would be disadvantageous to Japan. According to Kato the only thing left to do was consent in spite of the trouble that would be stirred up at home. And so he begged for a speedy accord.^(Faint) (See conference)

Washington-Tokyo, Conference No. 404, January 12, 1922.

Very Urgent.

From Kato.

Referring to your cablegram No. 300, the proposed revision of Article ~~IX~~^{XIX} demands a change from the text of the published announcement^② ~~and~~ in view of its importance from this fact, I have sent you a detailed history of the matter to date and on yesterday the eleventh I asked you for instructions.

As the fortifications question in the first place took the form of a condition for the acceptance of the sixty per|cent ratio, opposition in respect to the fortifications question would in theory revoke consent to the sixty per|^cent. It would therefore result in opposing the whole armament limitation, ~~and~~ would thus provoke suspicion of the attitude of Japan and lead to a very disadvantageous situation.

In the matter of the non-inclusion of islands south of the equator in the maintenance of the status quo, the reasons for opposing it on grounds of national defence are extremely weak. The reason for opposing it would therefore be the point of its inconsistency with the published announcement, but the published text was a (Ed. Note. Possibly, hasty affair) and there are instances of more or less changes being made since. Permission to build several ships during the naval holiday has been given, and there have been changes in the allocation, tonnage, etc.

There is not the least prospect of getting the consent of Great Britain and the United States for maintaining the status quo in Amami-Oshima and Ogasawara by our will. ~~and~~ there is nothing else to do but
bind the islands south of 30 degrees north latitude by treaty.

There are three courses which we may take.

1. Assent to the new revised proposal.
2. Oppose the new proposal and stand on the published announcement.
3. Oppose the new proposal and withdraw the sixty percent ratio.

Under the conditions today there is no prospect of securing assent to proposal No. 2. If we cannot get assent, the only recourse would be to eliminate totally the clauses about fortifications. In that case Great Britain and the United States would feel no concern and the United States in particular, judging by present public opinion, would be much pleased. It would be very disadvantageous to Japan.

With regard to proposal No. 3, opposition to armament limitation is an extremely important question. In view of the past course of events, this proposal might be theoretically reasonable, but in practice it would be extremely disadvantageous.

We are thus brought to taking proposal No. 1. We are thoroughly aware of the difficult domestic political situation, but under the circumstances it is impossible to carry through our contentions and there
is nothing to do but to accept it.

Consideration of the naval treaty article by article will be completed in the meeting of chiefs of delegations today except for this one article. On account of the length of the negotiations concerning armament limitation, public opinion is giving a free rein to speculations of various kinds. ~~and~~ at this juncture the Americans are paying extraordinary attention with respect to securing the ratification of the senate, ~~and~~ are therefore working to make the meaning of the text clear and at the same time are making every effort to conclude the matter as speedily as possible. It is planned to decide on having a plenary session next week, and it will therefore be very difficult to continue a long cable correspondence after that. We therefore ask you to bring yourselves to consent speedily to our recommendations. For the details

we ask you to consult our requests for instructions.

(spare)

Again on January 17, 25, and 26 he implored Uchida to reconsider and accept the British plan. Kato pointed out in the first that he had voluntarily stated that Japan had no objection to limiting the two much disputed island groups. In the second cable ^(first) (see above conference No. 502 page .) he asked Tokyo to consent even against her will. Hughes knew by this time that Kato wished to give in, so that all he had to do when the latter complained of public opinion at home and difficulties with the diet was to match him with trouble in America and difficulties with the senate.

For once the newspapers missed the entire point of the controversy. They quite overlooked the importance of the two island groups in the eyes of the Japanese people. They accused the delegates in Washington of holding out on a settlement in order to get more favorable results on the whole conference. As we have seen, in this case it was not so. The delegates at Washington, had they been permitted by Tokyo, would have consented long hence. They were so fed up with the whole thing they wanted a prompt solution even at the price of dissatisfaction at home. ^(First to follow cable) (J.C.A. Everwijn was the minister from the Netherlands.

(spare)

Washington-Tokyo, Conference No. 428, January 17, 1922.

~~Washington-Tokyo, Conference No. 540, January 26, 1922~~

Very Urgent. ~~Very Confidential.~~

From Plenipotentiary Kato.

With regard to the British proposal concerning Article ^{XIX} of the naval limitation treaty we have received your cablegram No. 321 in which you say that, leaving aside for a time the military expert point of view, the proposal would excite our public opinion, lead the privy council to refuse to pass it, make it difficult for the government to maintain its position, and excite popular antipathy towards Great Britain and the United States. The delegates have carefully noted this cablegram and intend immediately to proceed in pursuance of your instructions.

In view, however, of the important influence which we feel this matter will have on our national future broadly considered, and because we fear that you may not yet thoroughly have noted our successive cablegrams, the three plenipotentiaries have again carefully and maturely considered the matter and as a result they venture once more to offer their humble opinions and to ask you once more to consider the matter.

When this question was first discussed with the heads of the British and American delegations, the principal purpose of this agreement was to remove an actual menace to our country, and necessarily the removal of this actual menace to Japan became the main subject of the later conversations. We therefore think that it will be extremely difficult to carry through our contentions on the sole ground that it is impossible to change the text of the announcement of December 15.

You are aware that the words "Japan proper" which were used in the announcement of December 15 were suddenly hit upon at that time. If it were a question merely of usage in Japan, we think that the

view might be established that since this phrase includes ^{A.} ~~Mami~~-Oshima and Ogasawara, these islands are outside the applicability of the agreement, but on the other hand from the inception of these negotiations Plenipotentiary Kato stated that Japan had no objection to limiting the fortification of these islands. When we consider this fact, it is not unreasonable to suppose that Balfour and Hughes, when they used this phrase, never had the least idea that by Japanese interpretation these islands would naturally be included in it.

(apoc) Continued. (Note. Rest not received.)
Washington - Tokyo, Conference No. 5460 January 26, 1922.

Very Urgent. ~~Very Confidential~~

From Plenipotentiary Kato.

At a dinner given by the dutch minister on January 25 Hughes led me into a separate room and spoke of the fortifications question.

He asked how the Japanese government could feel any further difficulty. American public opinion was showing a bad trend on account of the delay in solving this question, and the influence of this was extending to the senate and gradually making the position of the government difficult. I could appreciate his position with things dragging on and dragging on and he unable to move either forward or ⁿ back.

I said that I was making every effort to settle this question, and explained the disturbed state of the Japanese political spirit, the trend of public opinion, the relation of the cabinet ministers to the diet, etc.

Hughes went on to say that there were no questions on which an understanding between Japan and the United States could not be achieved, but both countries had varied elements among their respective peoples. He alluded to the arguments against the Washington conference in the Hearst newspapers and said that he was in a rather difficult

position. I replied in like vein.

As I have repeatedly cabled, not only the Hearst papers but other influential newspapers frequently publish Washington despatches surmising that the present Japanese haggling here is a deliberate effort to secure ultimate favorable results on the whole situation ^{by} ~~now~~ delaying the settlement of the fortifications and Shantung questions. Our delegates also hear on all sides that the delegates of the other powers are all eager for an early solution. In this situation it is impossible to suppose that further delay will result to the advantage of Japan.

On the other hand from a technical point of view there is no objection to the present proposal and there is no room for doubt that as a practical question we have substantially achieved our original purposes. Even if Japanese public opinion is dissatisfied, I think that it will presently come to an understanding of the real facts. When you have noted the foregoing which is addressed to your ears alone, I repeat the hope that you will make every effort to decide this question at once without necessitating further exchanges of cablegrams in regard to our recent requests for instructions.

(after)
In the beginning General Tanaka did not know that the move to limit the fortifications in the Pacific came from his camp. He was apparently not in the confidence of Plenipotentiary Kato at first. Being a man of action rather than of finesse, he is plain and outspoken in his thoughts and opinions and for that reason sends some of the more interesting cables that crossed the Pacific. For instance, when Baron Kato was giving out to the press that indeed there was no deadlock on the naval ratio even when the committee had adjourned without

reaching a conclusion, Tanaka did not hesitate to call it just that in his report to his Chief of Staff.

(space)

From Tanaka, Washington .

December 3, 1921.

To Chief of Staff, Tokyo .

Conference No. 17.

Another week of the Washington conference has elapsed with no results worthy to be called such. Today it is not easy to conjecture about its future achievements, but I wish to report for your information my humble opinions based on my observation up to the present time.....

.... The question of limitation of naval armaments is completely deadlocked. The heads of delegations are conferring about a solution. According to what I hear, Balfour is in the attitude of practically pressing our delegates to accept the American proposal. The empty hope of the British that they could stand between Japan and the United States as mediators seems to be missing its aim entirely. Now that there is no expectation of continuing the Anglo-Japanese alliance it is practically obvious that Great Britain also will wish to see our navy as weak as possible. In case Plenipotentiary Kato persistently refuses the American proposal it appears that there is a scheme to bring on a situation unfavorable to Japan by introducing a proposal for the maintenance of the status quo in Pacific fortifications. The reason for the rejection of the American proposal of a sixty per cent ratio is the doubt whether America will really [Ed. Note. Possibly, maintain it] as long as the present conditions subsist.

(space)

The reason that Kato did not wish any more definite specifications of Japanese fortified zones included in the naval treaty was that Tanaka had advised him that the publicity it would entail would be disadvantageous.

From, Tanaka, Washington.

December 31, 1921.

To Chief of Staff, Tokyo.

Conference No. A 38.

When a treaty is made about Pacific fortifications, the question of making a supplementary agreement to make clear the meaning of maintenance of the status quo will come up for discussion and it is thought that it will be necessary to have an exchange of views in order to make mutually clear the present status of Pacific fortifications and naval bases.

It is of advantage to Japan to have a guarantee that the Philippines and Guam bases are not ^textended beyond their present status. The expansion of these bases is not a thing which can be done secretly, but on the other hand with regard to ^[Ed. Note. Possibly, maintaining] fortifications, as long as there is no means of inspection, no practical good will result. I therefore think not only that there is no need of detailed provisions concerning the maintenance of the status quo so far as applies to fortifications but that, if we go deep into the matter, the publicity, etc., of fortified zones (the British fortified zones are at present semi-public) might extend also to the ^[Ed. Note. Possibly, Japanese] fortified zone which would be a disadvantage. It is intended therefore not to bring up detailed provisions so far as concerns fortifications when we draft these agreements.

(space)

Tanaka feared that a disagreement over restricted territory would result in a disagreement over the naval treaty. On January 9 he recommended setting the restricted zone south of north latitude 30 or opposing completely any detailed ^dspecification of Japan's islands. He was among the first to suspect the Americans of having designs on the Galapagos islands and the Aleutian islands. It was he who was averse to defining Japan proper.

From Tanaka, Washington.

January 9, 1922.

To Chief of Staff, Tokyo,

Conference No. A. 42.

With regard to the Pacific fortifications question, you know from my conference cablegram No.... that I expressed my assent to Plenipotentiary Kato's opinion that the best policy was the voluntary maintenance of the status quo in Amami-Oshima, Ogasawara and Formosa without specifying in the treaty the names of the islands in which fortifications are to be limited in future. A feeling has since arisen among the British and American delegates in favor of receiving specific provisions concerning this agreement. It is supposed that at the same time with specifying, like a surveyor, the names of the Japanese islands to be restricted, the British wish to limit the restricted zone to north of the equator and the Americans hope in future to buy the Galapagos Islands from Ecuador and wish also a specification that the Aleutian islands are not included under the restriction.

There is no recourse but to specify the names of the islands which Japan will restrict, but if we accept the wishes of Great Britain and the United States, the clear terms of the original agreement will be entirely ignored. I therefore think that we can hardly express assent to the British proposal.

I therefore submitted to Plenipotentiary Kato the view that there was no objection to making the Japanese restricted zone south of latitude 30, but that care should be taken not to produce a situation of interpreting the meaning of the specification about Japan proper in the original treaty. Further, as there is a fear that this agreement will not be established, because the plenipotentiaries will not agree on the detailed specifications and that this disagreement may extend to the naval treaty in general, I recommended that in case complications develop, Japan as its final proposal should oppose having specifications concerning details. The plenipotentiary

agreed to this.

This question will be discussed by the plenipotentiary delegates tomorrow.

(space)

Two days latter he advised lowering the boundary of the British parallelogram to 29 degrees north latitude, setting the eastern limit at Ogasawara and leaving the mandated islands unrestricted so that they might be fortified if the League of Nations were dissolved. *(That is follow cable)* (Yakushima is a large island immediately south of Kyushu. *o*)

From: Tanaka Washington.

January 11, 1922.

To: Chief of Staff, Tokyo.

Conference No. A 43.

In the conference of the chiefs of the Japanese, British and American delegations yesterday, the tenth, Plenipotentiary Kato proposed that as far as Japan was concerned the limit of restriction might be placed at thirty degrees north latitude.

Balfour said that his oral explanation of a day or two ago might not be clear and it was necessary to make it so. He showed a map on which the surface between 110 and 180 degrees east longitude and between the equator and 30 degrees north latitude was marked off. He proposed that this area be made the restricted area. Hughes immediately assented to this. Plenipotentiary Kato explained that in view of the importance of the question he must ask his government for instructions.

In reporting this to the government, Plenipotentiary Kato will add that as our Navy is eager for the maintenance of the status quo in the Philippines and Guam, it would be extremely impolitic to cause the agreement to fail of establishment through persistence in our claims, *that* and ~~the~~ he thinks it will therefore be more advantageous to accept Balfour's proposal.

As had been cabled to me, I expressed the opinions that, leaving aside military considerations, it would be a grave matter affecting the dignity

of Japan to determine the limits of restriction by making great changes in a treaty proposal which had already been announced and that it was more advantageous to leave the announced text stand, but Plenipotentiary Kato judged from the attitude of Balfour and Hughes that there was no likelihood of their listening to this and he therefore decided to ask for instructions. I then said to the delegates that it was necessary to consider the following points if a restricted area is to be decided upon.

As long as Oshima is restricted there is nothing to be done about the Loochoo islands, but the 30 degree would include Yakushima also and it should therefore be changed to the 29 degree. With longitude 180, also, the United States would include only Midway, which has no military value, while on the other hand, most of our Pacific mandate islands would be restricted. These islands under the C mandate terms cannot be fortified but there is no reason for them being bound with respect to the United States. If they are included in the restricted zone they will be doubly bound with respect to Great Britain. It would be the best policy for us to set the eastern limit in the neighborhood immediately east of Ogasawara.

For your information.

(space)

On January 14 he reassured headquarters that Baron Kato had not bound Japan not to fortify Oshima and Ogasawara in the future. He claimed that Kato said fortifications were under way and that it was intended to suspend them in the future. In his own report Kato had said that there were none on Oshima and that work on Ogasawara had been ordered suspended. Either an inaccurate report was drawn from inaccurate minutes of that session, or Baron Kato did not know the actual state of fortifications ~~of his~~ of his own defences. Tanaka blamed it on the secretaries.

From Tanaka, Washington.

January 14, 1922.

To Chief of Staff, Tokyo.

Conference No. A 46,

Referring to your cablegram No. 12, I asked Admiral Kato about this.

With regard to the quoted phrase that there are at present no fortifications on Oshima and that work on Ogasawara had been ordered suspended, Admiral Kato said in the meeting that fortifications are at present under construction on Oshima and Ogasawara, but that it is intended to suspend work on them in future. Through error the men who were present to draft a report of the complicated discussion of that day misunderstood what he said. The discussion on that day was principally about the meaning of Japan proper and only touched incidentally on the present status of fortifications, etc. It was not ^{of} a nature to be in any way binding on the future. (This cablegram was [Ed. Note. Possibly, approved] by Admiral Kato.)

(space)

Two days later he advised the drawing up of a new definitive agreement calling for status quo in Hongkong, the Philippines, Guam, Formosa, Ogasawara and Oshima. It was just such an agreement that was finally ^{is} inserted in the treaty as Article ~~IX~~ ^{XIX}.

(space)

From Tanaka, Washington.

January 16, 1922.

To Chief of Staff, Tokyo.

Conference No. A 47.

The government has instructed the delegates that it is quite impossible to consent to change the substance of the agreement already made concerning Pacific fortifications, but that if the British and Americans wish, there will be no objection to supplementary notes or a protocol that we will maintain the status quo in the defences of Ogasawara and Amami-Oshima. Plenipotentiary Kato thinks that it is not good policy for Japan to refuse a signature and wishes to make some kind of compromise proposal, reopen negotiations and achieve a solution and he has asked the government for instructions.

In this matter the approval of Japan was given as a return for the acceptance of the ratio of the Japanese navy and whatever might be the case if the naval

treaty were done away with; in case it is not done away with, it will be necessary to make every effort to carry out the spirit of the Japanese claims in the original instructions to the delegates. Still I am sure there is no hope whatever that Great Britain and the United States will consent if we merely promise the maintenance of the status quo in Ogasawara and Amami-Oshima without changing the agreement already made. I think therefore that it is politic in a wide sense to devise some plan of solution within the limit of not producing a situation of practical disadvantage. If therefore the Japanese government approves the compromise proposal of the delegates, and if Great Britain and the United States also accept it, there is no further argument, but I am afraid that that proposal may endorse the British arbitrariness and may produce arguments between Japan and the United States concerning islands near the mainland. My idea, therefore, is that it would be better to go back to the beginning and entirely change the agreement already made and have Great Britain, the United States and Japan respectively promise to maintain the status quo of fortifications of Hongk^ong, the Philippines, Guam, Formosa, Ogasawara and Oshima. In other words, I think that if we now propose to draft a new agreement based upon the instructions originally given the delegates, it will not be extremely hard to reach a solution.

The agreement already made has on the one hand the appearance of being advantageous to Japan, but the specification of Japan proper in that agreement is very harsh on the ear and it is feared that in some circumstances the interpretation might be given at home or abroad that Ogasawara and Oshima are not Japan proper. I have thought therefore that it might be advisable now decisively to do away with the agreement already made and make a new one as described above. For these reasons I have submitted this recommendation to the plenipotentiary delegates.

Of course it may be that apart from the stand^dpoint of national defence this question has acquired domestic importance as a question of national dignity and that today my humble recommendations cannot satisfy the wishes of the Japanese people, but it would be very distressing and grave if opinion should attribute

to Japan the whole responsibility for having, on this question, which is incidental to the naval treaty, destroyed the conference in which the powers have spent many days and their most earnest thought. I consider that this is a question which requires the most careful thought on the part of Japan. I suppose that the government's position is the result of mature consideration and that of course there is no possibility of reconsidering it, but I state my humble views for your information.

(space)

When Ambassador Shidehara became ill, ~~Ma~~^Sanano Hanaihara was given full plenipotentiary powers to assume his duties. Though he devoted himself mainly to the Far Eastern problems, he was in consultation with Kato and Prince Tokugawa on the naval treaty. Even he took it upon himself to add the weight of his private opinion to the pleadings of Kato for an amicable acceptance of the British and American demands. Shortly after the suspicions of the latter two countries, caused by the imposed obstinacy of the Japanese delegates, arose, he sent secret advices to Uchida with word not to let the other departments know the contents.

If Japan had been selfish in wishing to protect herself from the menace of others by limiting their increase in her home waters north of the equator, she was doubly selfish in the eyes of the British by wishing to impose limitations on forts south of the Pacific that had little or no bearing on her national safety. Poor Japan! Even if her statesmen had really had altruistic ideas and grandiose ideals as to making the Pacific a lake of peace from the arctic to the antarctic for all the countries, no one would have believed her. Her former allies were the first to doubt her good intentions. Her treatment of China was a boomerang.

Hanihara thought it best to show sincerity by consenting readily to status quo below 30 degrees north latitude with open freedom for building above that limit regardless of the homeland. He urged the prompt adoption of this policy to prevent the breakdown of goodwill shown hitherto by the conference and the press.

(space)

Washington-Tokyo, Conference No. 398

January 11, 1922.

Very Urgent.

From Hanihara; ~~very secret~~.

Although we have arrived at an opportunity to make a clear definition of the limits of application in the question of the Pacific defences, heated arguments have unexpectedly occurred in the committee of specialists between the English specialists and our own, in which the Americans also supported the English. It appears as if suspicions have been aroused in reference to this matter, as to whether the Japanese are adopting an evasive attitude in their interpretation of the term "Japan proper", and that the English and American specialists and, of course, their delegates also, have suddenly felt the defects in the announcement of the fifteenth of December, and, at the same time, there is an appearance that they are also harboring rather disagreeable suspicions in regard to our attitude. Plenipotentiary Kato at once gave suitable explanations to Balfour, and, simultaneously, Admiral Kato also, to the Americans, so that the matter would be understood by both parties, but it was seen that they were still retaining the uneasy impressions that they formerly had. At this juncture, when the instructions in your cablegram No. 289 were received, and the next day, the tenth, the publication, in the form of a declaration, that the status quo of Amami-Oshima and Ogasawara Islands would be maintained, was spoken of at the conference of the chiefs of delegations, it seemed as if they were again seized with uneasy impressions and also thought that it was an introduction

of conditions that would make it difficult for the English to avoid restrictions in latitudes south of the equator.

As has already repeatedly been explained by Plenipotentiary Kato, when looked at calmly from the standpoint of our military situation, in case the status quo of the Philippine islands and Guam is caused to be maintained, the further restriction of the maintenance of the status quo in our dominions south of the thirtieth parallel, north latitude, is not in the least disadvantageous to us, and from the first there is still less feeling of risk from the insular dominions of the English in the latitudes south of the equator; so that, as this claim, as stated above, rather increases the suspicions of the English, Americans and others, it is thought that it is the best policy to renounce it and show our sincerity by willingly consenting to the obligation to maintain the status quo of places south of parallel 30 degrees north latitude, and by clearly reserving the right to fortify all territory north of that parallel, regardless of whether or not ^{it} ~~is~~ is our "territory proper", and accordingly, to agree to the purport of English proposals and complete the agreement.

In addition to having already given the English and Americans suspicious thoughts, our adherence to our demands will, besides this, not only become a great means of also breaking down the question of the limitation of defences that we desire, but also, as it will work a transformation in the attitude of good will that there has been displayed towards us by the English and Americans up to this time in the conference in regard to other subjects, it will cause a return of the suspicions regarding us to the world at large, which will lead to our great disadvantage in the condition of the general situation. Your special consideration of this is requested.

In addition, I desire to tell you, privately, that, in reference to this matter, although our navy men here coincide in this opinion, our army men appear to have objections to it, and it is therefore desired that this

cablegram shall not go any further than the department.

Later he entreated Uchida ^(space) for a prompt reply to relieve the delegates from a painfully embarrassing position and the same day analyzed the American demands as not unreasonable if studied with composure.

Washington-Tokyo, Conference No. 509.

January 23, 1922.

Very urgent. ~~Very confidential.~~ Personal and private.

From Hanihara.

With regard to the question of limiting Pacific fortifications, you have been informed by our cablegram Nos. 499 and 502 of the negotiations with Hughes and Balfour in ⁱⁿ pursuance of the instructions of your cablegram No. 334, in which Plenipotentiary Kato has played the principal part.

Hughes and Balfour have been deeply impressed with the frank and sincere efforts of Plenipotentiary Kato as well as with respect for the attitude of the Japanese government. They earnestly desire to settle this question without further prolonging the conference on its account and for this reason they are requesting points of compromise with an extremely friendly and conciliatory attitude.

If now our side alone must heap requests for instructions on requests for instructions, it is clear that the Japanese plenipotentiaries will be put in an unendurably painful position. This can be borne, but there is deep anxiety that this course may still further complicate the question and seriously affect the ^{uc} success of the conference and even our largest interests. We thoroughly appreciate the difficult position of the Japanese government and particularly the cares which harass Your Excellency, but we are inexpressibly eager to receive through your kind efforts instructions such that without needing again to ask for further instructions we may quickly reach a solution of this question.

Today the conference has reached the time to close with success

and in view of the general urgent desire inside and outside the conference to hasten its conclusion, it is clear that if the conference is further prolonged on your account alone, a very bad impression will be produced on the delegates of all the powers and of course also on the American government and people and this will greatly affect the dignity and interests of Japan.

Under these circumstances I am convinced that it is vitally important to settle this question at once by a prompt, decisive stroke. It is for this reason that I have been so presumptuous as frankly to submit my humble opinions and appeal to your sympathy.
(space)

Washington-Tokyo, Conference No. 512. January 23, 1922.

~~Very confidential.~~ Personal and private. From Hanihara.

The result of the interview of Plenipotentiaries Kato and Hughes on the afternoon of January 23 are given in cablegram No. 510. The exclusion by the American plan of the coast of Alaska (which I take naturally to include the Aleutian islands) and the canal zone and the inclusion of our Loochoo islands in the restricted area, if regarded with composure, must be considered a not unreasonable proposal. As long as we have already consented to the maintenance of ^{the} status quo in Amami-Oshima, it would be hard, at least for an unprejudiced third party, to understand our saying that we cannot consent with regard to the Loochoo islands which are south of it. Similarly if the Aleutian islands are excluded but in exchange the Japanese Kurile islands are likewise excluded, it would be hard to establish the argument that this is one-sided. At any rate it can now be seen that there is no hope of securing American consent to the exclusion of the Kuriles and the Loochoos.

Our military experts say that it makes no great difference whether our Loochoos and the American Aleutian islands are or are not put within the restriction. Under these circumstances I think it most advisable

from a large point of view to accept the American proposal and immediately settle this question. The need for quick action has been explained in our earlier cablegrams. I fully appreciate your worries, but I fervently hope that the government through your kind efforts will decide on a policy which will permit an early solution of this matter. In view of the urgency of the situation there is no time to fear the reproof of presumptuousness and I venture to make these confidential representations and to beg your sympathy.

(space)

Even Shidehara added his plea for the adoption of the latest compromise ^{pro} proposal offered by the British and the Americans. But the most interesting part of his message is the secret agreement he had with Hughes to suppress the Siberian part of the agenda. By now Hughes realized that Uncle Sam had bitten off more than he could chew, if he hadn't begun to recognize before the imperfections of such an all-inclusive agenda. He was worn out. The delegates had long been restive, champing at their bits. Some of them had been forced to cancel engaged passage twice due to the prolonged wrangling. All of them had had to linger longer than anticipated. So Hughes gave in gracefully by slicing off the Siberian part of the program and sliding over many of China's problems.

(space)

Washington-Tokyo, Conference No. 517.

January 25, 1922.

From Shidehara. ~~Very confidential~~. Personal and private.

The conference sessions have now gone on for the past two months and a half during which time there have been all sorts of committee meetings and consultations occupying morning and afternoon of practically every day. The plenipotentiaries of all countries are very tired and as they have also each given up his regular duties for a long period, they are eager to have the conference close quickly. It appears that the American plenipotentiaries also are inwardly inclined to cut short the discussion of Far Eastern and Pacific questions and adjourn immediately after the solution of the Pacific fortifications and Shantung questions.

As it had looked as if there would be an eruption of all sorts of discussion of the Siberian question centering primarily on the question of the evacuation of the Japanese troops, Hughes and I very secretly reached an understanding in advance that, as soon as we passed to the discussion of the agenda item about Siberia, I should first take the floor and explain the Japanese position and policy; ~~and~~ then Hughes should give a history of the past negotiations and a statement of the American position with respect to the question of Japanese evacuation, and immediately close the discussion without the adoption of any concrete resolution. Hughes cleverly used his position as chairman and carried out this secret agreement, closing the discussion of the Siberian question without giving much chance for debate.

Reviewing the actual course of the conference to date, there is no doubt that Hughes ~~has~~ had the attitude of respecting the Japanese attitude just as farⁿ as he could, and has taken a rather repressive attitude towards the Chinese and not met their expectations. As long, however, as the Pacific fortifications question and the Shantung question are not settled, there is no chance to close the conference, and it is perfectly clear that in the interval the situation will be complicated by the presentation of all sorts of demands on the part of the Chinese delegates and by an active

Siberia. From this point of view also, I therefore think that it especially is urgent to settle these two questions now at once.

Coming to the history of the Pacific fortifications question, you are familiar with it from Plenipotentiary Kato's successive detailed cablegrams.

1. It would be very unnatural and unreasonable to attach importance solely to the wording of the recent public announcement when it is known that the announcement was prepared hastily and without a complete understanding among the plenipotentiaries of the various powers.

2. Of course this restriction of fortifications was a condition of the Japanese assent to reducing the ratio of strength in capital ships, but on the other hand this contention would call forth the question of what real threat to the national defence of Japan is involved in these fortifications in the seas adjoining Australia or the United States. It would be hard to give a clear answer to this question.

3. With respect to the Loochoo islands, when we have already consented to the limitation of fortifications on Amami-Oshima and Formosa, it would be equally difficult to give a reason strong enough to win the Powers to a contention that we cannot consent to a limitation on the Loochoo islands which are more remote than the others.

In this conference the delegates of the powers have frankly explained the position of their respective countries from the practical point of view of considerations of national defence and if we alone leave the field of interests and base our arguments on the wording of the public announcement or on points of dignity which will not be understood by the general European and American public, we may naturally deepen the world's suspicions and make it impossible to expect an understanding among the powers.

During my interview with Hughes on January 24, the latter referred warmly to the fortifications question, saying that he thoroughly understood the difficult position of the Japanese government in this

After repeating what he had been told by Plenipotentiary Kato, he said that he too was not a little worried about securing the approval of the senate for this treaty, and unless the Loochoo islands were included in the zone of limitation there would be no hope of getting the consent of the senate. He spoke frankly of the situation in the senate and urgently requested the friendly consideration of the Japanese government.

The extreme importance for the whole future international position of Japan of success or failure in securing a satisfactory settlement of all this fortifications questions is such that of course we quite understand it does not permit the least regard for the personal position of Plenipotentiary Kato or the other plenipotentiaries and we have therefore taken every pains to meet your wishes, but I am now convinced that there is no means of solution except the final British and American compromise proposal which has been reported to you by Plenipotentiary Kato. I earnestly hope that the cabinet will decide upon it and it is for this reason that I have been so presumptuous as to set forth my personal views here for your personal information solely.

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Though Tokyo self-righteously remained adamant for a long time, at length it was forced to accept the compromise. The government's first sign of weakening came January 15 when, though it refused to accept the British plan or alter the text of the article, it agreed to an annex, or if necessary, a protocol in which it promised to maintain in status quo the much disputed islands. Uchida was rather plain-spoken himself for a diplomat on this subject, for he characterized the British attempt to change Article ^{XIX} as "a contempt of international good faith".

It was he who spoke in lofty accents of the original proposal as being advanced

through the desire to carry out thoroughly the spirit of armament limitation. Since he had worked so hard to arouse the people to demand a 10-7 ratio to please the naval experts, one cannot help reaching for the salt as one reads his expressed anxiety over the popular attitude toward changing the article. Was the wrath of the people sincere in this instance, or was it just extra work on the part of the governmental propaganda department?

Apparently he is sincerely concerned whether further concessions on the part of the government would not jeopardize the ministry. In order to save his face and prevent losing prestige at home, Uchida must let his delegates squirm in Washington.

(space)

Tokyo-Washington, Conference No. 321.

January 15, 1922.

Very Urgent. ~~Very Confidential~~.

Referring to your cablegram No. 393, in the first place the limitation of Pacific fortifications was proposed by us from the point of view of a desire of carrying out as thoroughly as possible the spirit of armament limitation, and of assuring the maintenance of peace in those regions in correlation with the limitation of military power. Great Britain and the United States accepted it and thus was made the agreement for the maintenance of the status quo of fortifications. We went further and wished spontaneously to limit the fortifications even on islands appurtenant to Japan proper. Great Britain and the United States were not satisfied and wish to change the entire spirit of this agreement and demark the area between thirty degrees north latitude and the equator and between the one hundred eightieth and the one hundred tenth meridians of east longitude, thus imposing on Japan a treaty obligation to maintain the status quo of defences not merely

on Ogasawara and Amami-Oshima, but on all the islands in a broad area starting practically from Kyushu and extending to the Equator. On the other hand the United States wishes to make a new exception from the scope of the treaty of Midway and the Aleutian islands, and Great Britain of all the ~~islands~~ islands south of the equator beginning with New Guinea.

A glance suffices to show the extreme unfairness of the proposal and especially it will be quite impossible to make the Japanese people understand on what basis the determination of the arbitrary area of the British proposal was really made. If we speak merely from the point of view of military specialists, the actual harm which may ensue from the British proposal is perhaps not very serious, but it will be made a serious question by the national feeling and sentiment which are now concentrated on this question.

It is said that when this agreement was made, the British and American plenipotentiaries consented to it with hardship in order to lessen the menace from Great Britain and the United States which was felt by Japan, but did not Japan herself in making the agreement undergo greater ^dharship than Great Britain and the United States by consenting to the sixty per cent ratio? Indeed the proposal to make great changes today in the fortifications agreement which was once offered as compensation for compromising the ratio question, and to put Japan in a disadvantageous position must be characterized as really a contempt of international good faith. It would certainly excite the feelings of our people. Thus the impression would be that the armament limitation agreement whose professed object is the maintenance of peace was after all nothing but a plan of the two great Powers of Great Britain and the United States to oppress Japan. This would leave behind it in the future a bad effect on the feelings of our people towards these two nations, and on peaceful ideals.

If this question were alone, the Japanese government might with hardships accept the proposal, but the naval ratio question, the question of the inclusion of Japan proper, etc., have already caused trouble, and it

is quite unendurable for us thereafter to make the further concessions demanded by Great Britain and the United States in this question. Our people submitted to the armament ratio as indivisible from the fortifications agreement, and whatever might have been the case if a proposal like the British had originally been made, a proposal, such as your cablegram suggests, to make further changes by concessions on our part from what has once been published already on December 15 would destroy the position of the government and make it hard for it to maintain its place.

In view of the importance of the question, we might not venture to question what might be the position of the government, but the adoption of the British proposal would certainly result in an eruption of popular feeling, would stir up popular antipathy against Great Britain and the United States, and the end would finally be that the privy council would have to refuse to pass it. A very undesirable situation of our foreign relations would be produced. It is feared that voices in favor of perpetual peace would be changed to shouts about cowardice, and results might ensue which would occasion real anxiety about the future of our country.

You will first explain to Hughes in detail the above circumstances and our decision. You will say that it is quite impossible for the Japanese government to accept this change in the established agreement, and will specifically state that unless the fortifications clauses are established in the spirit of the original draft as an indivisible part, together with the ratio and other questions, of the naval limitation agreement, it will be difficult to sign the whole agreement. You will say that we are agreeable to making the necessary amendments in the spirit of our previous cable instructions, but that it is quite impossible to change the text published December 15 to agree with the British proposal. You will then take the same action with respect to Balfour, and will make urgent cable report of the response of these two men. The Japanese government has decided upon the

foregoing policy after earnest consideration of the importance of this question.

Further, although it is quite impossible for the Japanese government to agree to changes in the essential points of the fortifications agreement, it will have no objection, if the British and Americans wish, to drafting an annex promising to maintain the status quo of fortifications on Ogasawara and Amami-Oshima during the life of the naval agreement, or in case it cannot be avoided, to making this a protocol and ratifying it together with the treaty.

(apace)

Whether government controlled or not, the Japanese press in this case was hot and heavy against the actions of the diplomats at Washington. They were frank in calling Kato's concession on Ogasawara one of the three great blunders of the Washington conference.

(apace)

Tokyo-Washington, Conference No. 326.

January 15, 1922.

Although there were first published in the morning edition of the Asahi of the thirteenth special despatches from Washington under the headline of "As was expected, Ogasawara brought in question", as in our despatch, Conference No. 320 (Note. Not Received), in reference to the question of the sphere of application of the agreement for limitation of the Pacific defences, all the papers of the capital, since their evening editions of that same day, have published leading articles in which they have mostly treated it as a question in reference to Ogasawara island, and argue that it is wrong to cause that island to be included within the zone of limitation.

The Asahi, particularly, in its evening edition of the thirteenth, said that: "The fact that Ogasawara island appertains to the jurisdiction of the Tokyo prefecture and actually forms a part of our territory proper is well established.

The reason this question was raised is because the British wish to take the ²~~Equator~~ and the Americans the 180 meridian respectively to demark the zone.

The result of this is that, while America has Hawaii, separated by more than two thousand miles from its territory proper, placed outside of this zone, the island of Ogasawara, which is barely five hundred and twenty miles from Yokohama, is included in the zone of limitations, which is **exceedingly** unfair."

In addition, in the morning issue of the fourteenth, it published a sketch of the zone of limitation according to the English and American demands, a repetition of the above-mentioned editorial from the evening edition, and said besides, that the English and American demands are unfair to the last extreme in that, besides the boundaries and extent of the Pacific defences being made to start from a point midway between the continents of Eastern Asia and North America, to the east and west of it, they also fix the continental limits. "In order to maintain respect for the sovereign rights, responsibilities and obligations for justice of all countries, is, or is not, America's voluntarily putting Hawaii inside the above zone and allowing us the liberty of defences in a part of our territory proper a reason which unites justice and humanity", it concluded.

Also, in all of the newspapers on the morning of the fourteenth, a Kokusai news bureau despatch was published, which, in effect, announced that the Japanese delegation had not made any opposition to the placing of Ogasawara and Oshima in the group of which the status quo is to be strictly maintained.

In the evening editions of the same day, the Yorozu Choho had the headlines; "The Three Great Blunders of the Washington Conference: The question of the Defences of Ogasawara is also One of Them". "Our delegates, at the time of the formation of the naval agreement, on account of the understanding that they already arrived at with the English and Americans as mentioned before in our foreign despatches, in reference to the maintenance of the status quo in the islands of the Pacific, have been made to make a sacrifice in consenting to this; in order to retain the Mutsu, they introduced the resolutions for the limitation of defences, and, in accordance with the terms of the compromise, have consented to the maintenance

of the status quo of Ogasawara, and voluntarily have caused the national defence to become perilously entangled. This is a great blunder in our foreign diplomacy."

The Hochi also had an editorial of substantially the same tenor as the Asahi and Yorozu Choho and denounced the measures taken by our delegates, and the Jiji, Nichi Nichi, Kokumin and others, ever since their morning editions of the fourteenth, have published articles which were substantially the same as these.

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It was not until January 21 that Tokyo consented to an inserted agreement as to status quo on the two islands in the treaty itself, and this only after Ambassador Shidehara had tried his hand at influencing Hughes and Balfour. This accounted for his visit on January 24.

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Tokyo-Washington, Conference No. 345. January 21, 1922.

~~Very Confidential.~~

The limitation of fortifications on the Pacific islands, as stated in our conference cablegram No. 321, is an important guarantee for the maintenance of peace in those regions, and the Japanese government made this proposal especially as compensation for the acceptance of the sixty percent naval ratio. As far as concerns Japan, Great Britain and the United States, it had already been established as a provisional agreement and had been officially announced (for our part it had been published here in the official gazette and in the newspapers), and, even though it was only a provisional agreement, it must be admitted that its political significance both at home and abroad is very great. Therefore, the Japanese government, speaking either from the point of view of international good faith or as a question of national prestige, cannot permit that any considerable change be made in the substance of the above mentioned provisional agreement.

If, in view of the previous history of this matter, it is perhaps not convenient to negotiate with the British and Americans in the spirit of our conference cablegram No. 321, in your capacity as plenipotentiaries, whatever may be the facts about instructions from the Government, Shidehara will in his character as ambassador, first have an interview with Hughes and explain to him in detail the difficult situation of the Japanese government, and will endeavor to have a confidential conversation with him and reach an agreement in the spirit of the last part of the above-mentioned cablegram. (If it is necessary under conditions as they are today, there is no longer any objection even to inserting in the treaty an agreement to maintain the status quo in the islands of Ogasawara and Amami-Oshima, but you should take care not to give the erroneous impression that these islands are not a part of Japan proper.) He likewise will seek a suitable occasion to confer with Balfour and will cable us the result. (In regard to what has been said about giving the execution of this mission to Shidehara, however, there is no objection to your Excellencies using your own discretion in accordance with the situation.)

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Acting on the direction of Uchida to present a concrete counterproposal, Baron Kato suggested the following amendments to Hughes January 22: the Kurile islands and south Sakhalin should be excluded from the treaty, but the latter should have no fortifications under the terms of the Russo-Japanese treaty; the Aleutian islands should be included in the status quo agreement; and finally there should be no naval bases on any of the numerous small islands south of Japan proper.

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Washington-Tokyo, Conference No. 499.

January 25, 1922.

~~Very confidential~~ From Plenipotentiary Kato.

On receipt of the instructions in your cablegram No. 334 (Note. Not Received)

I had an interview with Hughes at 10 A.M., January 22. Amplifying on the substance of your instructions, I explained in detail that it was quite impossible for the Japanese Government to accept the British proposal, and that, if it were to do so, it would be placed in a very difficult position.

Hughes said that he understood my meaning and asked whether I had any counter-proposal. I showed him the proposal given in cablegram No. 500, and gave the following answers to questions which he asked, because he said they were necessary for the purpose of giving an explanation to the senate. Hughes did not undertake to criticize them, but of course he cannot be considered to have assented to my answers.

1. The south part of Sakhalin will naturally be excepted from the maintenance of the status quo under this proposal, but under the Russian-Japanese treaty no fortifications will be constructed there.

2. The Aleutian islands will maintain the status quo and the Kurile islands will be free.

3. South of Japan proper there are many small islands besides Ogasawara and Amami-Oshima, but no naval bases will be established on them.

With regard to the British desire for the exclusion of New Guinea and Samoa, I said that personally I had no objection to New Guinea, but I made no reply about Samoa.

The above facts will be related to Balfour by Hughes, and I also am to have an interview with Balfour at 6 P.M. (Hughes and Balfour have promised to meet the Chinese plenipotentiaries at 11 A. M. today concerning the Shantung question.)

With regard to Ogasawara and Oshima, in pursuance of your instructions, I had prepared a proposal to settle the question by a separate protocol and I endeavored to reach a solution by this method, but Hughes was entirely opposed to it, saying that it would be difficult to explain to the senate. I therefore could not show him the proposal, but was forced to show him the other one as described above. I explained that this proposal was not based on

instructions from my government, but was merely the proposal of the plenipotentiaries. Please understand that it was prepared within the scope of your instructions not to proceed further with negotiations without a concrete proposal.

Finally Hughes said that he hoped to end the conference as quickly as possible and therefore he desired to settle this question at the earliest possible moment. He hoped to have another interview with me after he had spoken with Balfour and after I had also seen Balfour. I replied that if he had any opinion to express on this proposal, I wished to note it, but the attitude of the Japanese government was as I have described it above and I wished to reach a solution through a proposal which could satisfy my government.

I am truly sorry that the negotiations have hitherto not proceeded smoothly and have caused unnecessary complications in this question.

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Uchida consented to the American proposal January 28 with the reservation that they would restrict Okinawa and the Kurile islands if America would restrict the Aleutian.

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Tokyo-Washington, Conference No. 362.

January 28, 1922.

Washington-London, No. 171.

January 30, 1922.

Referring to your conference cablegrams Nos. 510 and 534, according to the American proposal given in your cablegram No. 511, Okinawa, which has not previously been under discussion, is brought within the restricted zone and the Aleutian islands, which were naturally included in the zone by the understanding of December 15 are excluded from it. It is apparent that it will be impossible to persuade Japanese public opinion to this.

The Japanese government, however, on the basis of your successive cablegrams and in view of the present situation, considers it politic from a wide point of

view to secure an early settlement of this question. It will therefore reluctantly accept the inclusion of Okinawa. You will then immediately proceed to negotiate that, as the Kurile Islands also will be included in the restricted zone, the Americans in a spirit of cooperation must at any cost consent to the inclusion of the Aleutian islands also. This is our final concession.

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Kato hastened to present Uchida's final concessions to Hughes on January 29.

These had to be considered by experts, but were adopted as satisfactory the next day. At last the vexatious question was settled.

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Washington-Tokyo, Conference No. 566.

January 30, 1922.

From Plenipotentiary Kato.

Referring to your cablegram No. 362:

1. Yesterday afternoon, the twenty-ninth, I had an interview with Hughes.

I explained and amplified your instructions and asked his assent. Hughes said that he would consult the President and the other plenipotentiaries and answer the next day.

2. This afternoon, the thirtieth, I had a second interview with Hughes.

The latter said that he accepted our amendments. At 3:30 P.M. a session of the committee of fifteen was held. There were a number of amendments, but with practically no discussion the decision reported in cablegram No. 567 was adopted.

3. In view of the misunderstanding and criticism in American newspaper circles that Japan was deliberately protracting the fortifications and Shantung

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questions in order that Japan might enjoy some advantage, Hughes expressed a wish to publish immediately the fortifications clauses in order to correct this understanding. All the plenipotentiaries agreed to this.

4. It is planned to submit the full draft of the treaty on limitation of armaments to the committee on that question tomorrow, January 31, and to have a plenary session February 1 and adopt the full text of the treaty.

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in order to retrieve Japan in part in the eyes of the world the long awaited

XIX
Article ~~X~~ was published at once without waiting the formality of having the treaty passed by the committee on armaments. The agreement as announced January 30 was as follows:

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Article XIX. The United States of America, the British Empire and Japan agree that the status quo at the time of the signing of the present treaty, with respect to fortifications and naval bases, shall be maintained in their respective territories and possessions specified hereunder:

1. The insular possessions which the United States now holds, or may hereafter acquire in the Pacific ocean, except (a) those adjacent to the coast of the United States, Alaska, and the Panama canal zone, not including the Aleutian Islands and (b) the Hawaiian islands.

2. Hongkong and the insular possessions which the British Empire now holds, or may hereafter acquire in the Pacific ocean, east of the meridian of 110 degrees east longitude, except (a) those adjacent to the coast of

Canada, (b) the Commonwealth of Australia and its territories and (c) New Zealand.

3. The following insular territories and possessions of Japan in the Pacific Ocean, to wit: the Kurile islands, the Bonin islands, Amami-Oshima, the Loochoo islands, Formosa and the Pescadores, and any insular territory or possession in the Pacific Ocean which Japan may hereafter acquire.

(Colonial Empire)

The maintenance of the status quo under the foregoing provisions implies that no new fortifications or naval bases shall be established in the territories or possessions specified; that no measures shall be taken to increase the existing naval ^c facilities for repair and maintenance of naval forces, and that no increase shall be made in the coast defence of the territories and possessions above specified. This restriction, however, does not preclude such repairs and replacement of wornout weapons and equipment as is customary in naval and military establishments in time of peace. - ^{The} New York Times. - January 31, 1922^c

(peace)

In the fight over the ratio the Japanese experts thought that 10-7 was absolutely necessary for adequate national defence, but the people as a whole wanted disarmament at all cost and were content with 5-3 if they could keep their Mutsu, until aroused by the professional propagandists. Therefore in accepting Hughes ratio with the Mutsu they cannot be said to have lost. In the matter of Pacific defences, however, the people

wished to retain the right to fortify "Japan proper."

This time the experts did not think it necessary to retain that right. It is always a matter of cold fact with them. With the people it is a matter of feeling, of sentiment, of patriotism, of pride and love of their country. Even though it was not necessary to arm Ogasawara and Amami-Oshima, even though they wished disarmament, they resented bitterly the forced abandonment of that right in treaty form. Politically speaking, the voluntary consent to give up that right was a bad move for the cabinet.

It was, figuratively speaking, similar to our experts consenting not to fortify Bermuda and Cuba, assuming for the moment that they belonged to America and were not considered colonies, but rather states on equal footing with the others. One notes that American experts wouldn't hear of renouncing the right to increase the fortifications of Hawaii on the grounds that it was an integral part of the United States. Yet Hawaii was two thousand miles from the mainland of the United States, as one Japanese editor pointed out. Public opinion would have considered it an invasion of national integrity. Yet both America and Great Britain did not hesitate to make the same demand of Japan to which they would not consent themselves. They held the "big stick," they were the conceders, the granters of favors. It was immaterial to them whether the race for further fortifications ceased or not. They could afford to keep on building. And so Japan had to swallow her pride, as she swallowed it after

the war with China, and be thankful for small favors. The day of reckoning will surely come, however, when Japan will hold the "big stick." Until then she bides her time more or less graciously and mumbles under her breath.

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Part II.
Limitation of Armament.
Chapter I.

The Soubrette's Revenge.

Having settled the ratio of capital ships, the limitation of naval armaments committee turned to the consideration of submarines, auxiliary craft and airplane carriers. Here it met its waterloo in the form of the soubrette. She unfurled her temperament, resorted to Japanese propaganda tactics in her home press, and succeeded in antagonizing everyone so completely that nothing was accomplished.

If the 5-5-3 idea was dear to the heart of Hughes and the Mutsu dear to the heart of Kato, total abolition of the submarine was the idol of Lord Lee's heart. At the Peace conference in 1919 America had desired that and the allies had objected. In the ensuing two years England had seen light and conceived the idea of accomplishing this with the help of the United States at this conference. But American opinion, coached by our naval experts, had undergone a change likewise during that time. Instead of doing away altogether with the submarine, or even limiting stringently the tonnage or size, Hughes brightly suggested increasing the allotment for every nation!

This was at least a hand grenade if not another bomb shell for the committee assembled.

The official figures for the submarine strength of the five nations as published in The New York Times, December 22, 1921, is set forth in Table II:

Table II Submarine Strength

United States			Great Britain		
	No.	Tons		No.	Tons
Fleet building	4	7,241	Built	100	82,464
Fleet built	2	2,212	Japan		
Submarines building	38	33,408	Built	27	18,852
Submarines built	86	44,153	Building	16	12,600
Total	130	87,014	Total	43	31,452
France			Italy		
	No.	Tons		No.	Tons
First line built	27	28,763	Built	43	17,650
Second line built	23	14,186	Building	4	2,600
Total	50	42,949	Total	47	20,250

On December 22 Lord Lee in behalf of Great Britain demanded the total abolition of the submarine on the grounds that it was ineffective as a defensive weapon, citing the experiences of the British fleet during the war, as proof, and asserted that its chief value was against unarmored merchantman. He was immediately accused of selfishness in wishing to provide against a submarine blockade of England in advent of war.

America joined with the others in opposing strongly the abolition of the under sea vessels and offered the following astounding proposal. Since, according to Hughes, America has 96,500 tons of submarines, Great Britain has 65,000 and Japan has 46,000 tons, note that the figures differ from the official ones that The Times obtained from the navy department, -the tonnage limits for these three countries should be 90,000, 90,000 and 54,000. France and Italy were to have 35,000 tons each. What could be more astounding at a limitation of arms conference that at least two of the participants, Japan and

England, as well as the world, considered a reduction of arms conference!

When Lord Lee challenged his figures by preferring to use official ones in his reply, Hughes asserted that the difference in America's tonnage 87,014 from 96,500 or almost 10,000 tons was due to new building which was just recently under way. But that does not explain the discrepancies in the other figures. Though capital ships over the tonnage limit were scrapped whether they were used, partly built, or just in the planning stage, he proposed to scrap no submarines if they were over the proposed limits, until time for replacement. And note that according to his figures America was the only nation said to be over the limit. He proposed further to complete all keels laid by November 11, 1921. The other nations were to be permitted, nay urged to build up to their limits, limits that even in war time they had not aspired to attain. And this was peace!

When Lord Lee saw that there was no hope of getting his way, he suggested that the schedule presented be halved at least and a definite limit be set for the size of the vessel as had been set for the tonnage of a capital ship. He wanted them assuredly limited to defence. Italy, who throughout the conference, hardly spoke except to endorse the "noble sentiments" of others or to demand parity with France in everything, wanted auxiliary craft plainly marked and all merchant men unarmed, so that the submarines would be able to distinguish easily just what was fair game and what "verboden".

Hughes had intended extending the 5-5-3-1.75-1.75 ratio to submarines as well, but Admiral de Bon spoke for the scorned ~~Soubrette~~ the next day and demanded 90,000 tons of submarines for France, -full equality with the first powers of the sea. The submarine was an exceedingly effective weapon of defence, he claimed, effective both against warships and for coast protection and, hence, an integral part of the navy.

On the day before Christmas Lord Lee put his motion for the total abolition of submarines to vote as matter of formal record. Due to the surprise caused by his previous proposal and the sentiment against the undersea craft, Hughes relented sufficiently to state that the United States would willingly reconsider the abolition of submarines at a later date should the question be reopened. Then he offered his second compromise plan of 60,000 tons each for England and America, 31,500 tons each for Japan and France and 21,500 for Italy.

This, as might be expected, pleased no one. The United States really did not wish to give up its proposed program of 90,000 tons. The 30,000 ton slash was not big enough to please England. ☹ Just what submarine tonnage Japan wanted at first is not known, but when Hughes dangled before her eyes the promise of 54,000 tons, that was the amount she at once determined to insist upon. Italy stood firm for parity with France and that lady would not hear to less than her original demand of 90,000 tons.

Then they fell to quibbling as to whose ton was meant. The English, American

Japanese, French and Italian ton all differed. Finally a subcommittee of Admiral W. E. Taylor, Captain Pratt, the United States; Sir A. E. Chatfield, Instruction Commander Stanton, England; Capitaines de Vaisseaux Frochet and Dupuy, M. Dutemps, France; Vice-Admiral Baron Acton, Commander Prince Fabrizio and S. Ruspoli, Italy were appointed to decide upon a standard ton. This later was reported to be 2,240 pounds or 1,016 kilos. Meanwhile all the delegates had to ask for instructions from home.

They met again on December 28. The soubrette continued inflexible for 90,000 tons submarines and 330,000 tons of auxiliary craft. Great Britain adopted the attitude of "Well, if that's the way you feel about it, we will continue to arm our merchant men and refuse to limit our anti-submarine craft then." Because he saw they weren't getting anywhere, Elihu Root introduced a resolution for the regulation of the use of submarines. Under this, submarines would be forbidden to fire on merchant craft, would have to remove captain, crew and passengers before sinking a vessel or furnish an auxiliary crew to bring the vessel to port. And anyone violating the proposed rules would be considered a pirate and liable to trial and execution as such.

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Just what was the case for auxiliary craft? Hughes had proposed a limit of 450,000 tons each for American and Great Britain, 270,000 tons for Japan and 150,000 tons each for France and Italy. On December 20 when haggling over the capital ship

ratio, France had insisted on more auxiliary craft as compensation for giving up a big navy and the next day had announced 300,000 tons as the price of her acceptance of the capital ship ratio. The existing auxiliary craft strength is shown in Table

III:

Table III, Auxiliary Craft

Great Britain			Italy	
Type	No.	Tons	No.	Tons
Cruisers built	4	58,200	5	46,500
Light crusiers built	63	300,870	10	39,100
Flotilla leaders building	2	3,500	33	6,600
Flotilla leaders built	18	31,380	8	12,400
Destroyers building	6	7,450	12	11,680
Destroyers built	184	209,440	56	38,220
Total	277	610,840	94	154,500

United States			Japan	
Type	No.	Tons	No.	Tons
Cruisers built	10	131,300	4	34,756
Light cruisers building	10	75,000	5	26,000
Light cruisers built	3	11,250	12	60,290
Destroyers building	2	2,430	77	6,940
Destroyers built	364	364,530	62	61,873
Total	389	584,510	90	189,859

France		
Type	No.	Tons
Cruisers built	10	120,259
Light cruisers built	9	44,676
First line destroyers built	12	12,600
Second line destroyers built	46	30,164
Total	77	207,699

On December 28 France increased her demand to 330,000 tons auxiliary craft insisting that it was absolutely necessary for her national defence. It ended, of course, with no agreement on either submarine or auxiliary craft tonnage December 30. The only thing accomplished was the limiting of auxiliary craft to 10,000 tons and eight inch caliber guns.

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No more was achieved about airplane carriers. Neither France nor Italy had any; Japan and America each had one, America's being 19,360 tons; England had three amounting to 87,640 tons. Hughes proposed December 28 to restrict the size of aircraft carriers to 27,000 tons with eight inch guns and to maintain roughly the capital ship ratios by allotting to England and America 80,000 tons each; to Japan, 48,000 tons, and to France and Italy 28,000 tons each with the provision that those nations which had more than [†]their allotment should not scrap the excess until time for replacement.

As with the proposed auxiliary craft plan this was satisfactory to none. The next day they decided that they were totally unable to limit their use, number, or tonnage. December 30 Great Britain wanted five and France wanted three. The tonnage was raised to 135,000 each for England and America; 81,000 for Japan and 60,000 each for France and Italy effective after the ten year holiday. They had obviously decided that this was no longer a reduction of armaments conference, but rather one for the allotment of new war toys with each nation grabbing as big a number of his favorite toy as he could afford. Some people were beginning to say that capital ships had seen their day and were now passé, that the airplane was the coming weapon for future wars. Perhaps that is why the nations assembled scrapped capital ships so lavishly and devoted their attention to acquiring bigger and better aircraft carriers and auxiliary craft to protect them. ^(Faint) (For the final achievement see the Five Power Naval treaty in Appendix II.)

(should be higher opening)

But what were the Japanese thinking all this while? As we know from their original instructions Japan came to the Washington conference willing and prepared to limit the total tonnage of submarines. ^{1 (Faint)} (See above No. 537 in Chapter 5, Part II)

But she quickly perceived on which foot the shoe was, -that these western idealists were bent on limiting reduction to the expression of sentiment and accumulating materially what they could when they got down to business, and that no definite agreement would be reached because of the uncontrollable desires of many nations.

General Tanaka, Japanese army delegate, believed the British proposal for the abolition of submarines to be selfish and insincere. When the Japanese and French opposed it vigorously and the Americans were only ambiguously sympathetic, many expressed a desire to leave the question to a future conference with a larger attendance. He foresaw the difficulty of the powers in obtaining an agreement for the control of submarines if second class sea powers were free to build large fleets of undersea craft.

(opasc)

From Tanaka, Washington.

December 29, 1921.

To Chief of Staff, Tokyo.

Conference No. A 34.

With regard to submarines the British proposals are more theoretical than practical. They have praiseworthy points, but their motive is supposed to be selfish and the sincerity of their several statements in the conference must be doubted. The Japanese and French delegates strongly opposed the British proposal for the abolition of submarines. The
[Ed. Note. Possibly, Italian] delegate merely presented the views of his naval experts and reserved his own opinion suggesting that the matter be referred to the experts for further consideration. The position of the Americans was ambiguous. The fact of a working harmony between the British and the Americans immediately appeared. The Americans said that

they sympathized with the British proposals. The British and Americans brought forward amendments for the retention of [Ed. Note. Possibly, 60,000 tons for England and America and 31,500 tons for Japan, France and for Italy 21,500] tons. We opposed this and it will not be easy to agree on a basis of tonnage. It is not easy to exercise pressure on countries which wish to use submarines without restriction and in addition to this if second class countries are able to keep a comparatively large number of submarines, the agreements of the powers for their control will be insufficient. Many argue that the question should be submitted to a future conference which shall comprise more nations. If there are further complications in this question, observers think that it will be left for the present (at) the free will of each Power.

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The French desire for 90,000 tons and the Japanese insistence on Hughes' first proposal initiated a storm of anti-French feeling and the accusation that those two were working together to thwart the American idea.

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Washington-Tokyo, Conference No. 312,

December 30, 1921.

All the newspapers, since the twenty-ninth, have published the news that, in reference to the submarine question, notwithstanding the compromise by the English and American governments on 60,000 tons, in the committee meeting on the twenty-eighth, France demanded 90,000 tons to the last, and probably the question cannot be settled.

The situation is dropping more and more into a general state of anti-French sentiment on account of the attacks made vigorously in both news articles and editorials upon France's stubborn attitude. In addition, other articles in some of the papers denounced the demand of Japan for 54,000 tons, and tried to show that Japan and France were combining against England and America. ~~on~~ on this account, we at once sent out explanations to the effect that Japan has never aided France in regard to this question. Scattered

here and there in the newspapers everyday there are articles on Japanese-Chinese treaties, the Shantung question, the Siberian question, etc., but they have not particularly interested the public which is occupied with the ill-feeling against France.

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Hanihara and the Japanese delegates believed that the United States hastily drew up and introduced the Root resolution because it was impossible to agree on a tonnage limit and they were afraid that the conference would end in flat failure. Section 2 of the resolution provided that other nations not present at the conference would be invited to adhere to the resolution and join the five powers who were to accept it and put it into effect at once without waiting for it to be come^{an} international law. He pointed out candidly to Uchida that by agreeing to the humane use of the submarine in warfare, they were not binding themselves not to use it inhumanely against any power who was not also, a signatory. Bally clever these Japanese!

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Washington-Tokyo, Conference No. 316.

December 30, 1921.

Very Urgent.

The second section of the Root resolution as amended by Balfour (see former cablegram) is given in the accompanying cablegram No. 317. This came up for discussion in the session of the conference committee on naval limitation on the morning of December 30. The delegates of all the powers expressed sympathy with its spirit. Hanihara said that so far as concerned solely the delegates of Japan personally, he thought there would be no objection to the adoption of the resolution, but as a matter of form it would be difficult for them to publicly^{to} declare their acceptance until they had reported the text to their government and asked for instructions.

The conference at present is moving very rapidly and it is expected that this question will be ready for decision in the committee session of the afternoon of January 2 or the morning of January 3. We therefore very urgently request instructions.

This Section No. 2, by the Balfour amendment, is moved a stage further than a simple declaration and becomes a written international regulation, but for the present it is binding only on the five powers. Not only is this a necessary step to make the other powers enter the agreement later, but the fact of the five powers temporarily making this agreement would have a powerful effect in establishing the public opinion of the world. From a humanitarian standpoint we think that it is very desirable.

Concerning this point, Balfour said that he had heard the statement of Root that five powers alone could not establish international law and that this provision would not have the force of law until the assent to it of all the powers had been secured, but he had never heard of an international law to which all the nations of the world had assented. If the assent of all was awaited, it would in the end not become an international regulation. A proper method would be for the five powers alone first to adopt it, and then it would be possible to get the approval of all the civilized countries of the world, who would know of this action. He secured the assent of the whole assembly to this sentiment.

The reason the United States introduced this resolution was because it had become practically impossible to make an agreement limiting submarines and auxiliary craft on account of the strength of the French attitude concerning them. If at this time it should be impossible to secure some humanitarian regulation against lawless depredations, such as had been arbitrarily practiced by the German submarines, it would be impossible to avoid a sense of uneasiness among all peoples. Anxiety was even felt that the conference would be forced to end in failure. For this reason all the American delegates are working with the British delegates and making every effort to secure the establishment of this proposal.

They have gone practically to the length of saying that one of the main reasons for the entry of the United States into the war was the German submarine warfare and that therefore, if the conference closed without establishing this proposal, the purpose for which the Washington conference was held would be frustrated.

In view of this situation we consider that it would be extremely bad policy from a broad point of view if we should heedlessly oppose the proposal, and we also think that there is no good reason why we must oppose it. We therefore greatly hope that you will decide to approve this Section No. 2 in the spirit of the Root resolution.

Of course in case one of the five powers should have a war with another power not one of the five, this treaty would not apply. In reply to questions asked by Hanihara after the session concerning the words "commerce destroyers" in Section 2, Root said as his personal opinion that this meant the destruction of merchant ships, and that it was clear that all merchant ships which gave military assistance to the enemy were not to be considered merchant ships and that, in case of blockade, submarines should use the same procedure as other ships. For your information.

As to the provision in Section No. 3 that violators of the laws and customs of war, regardless of what their official rank, shall be subject to rigorous punishment, its spirit is of course to be approved, but we consider that it has points which require consideration before giving formal approval. We therefore request that you give this also your most urgent consideration and send instructions.

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The first part of the Root resolution was adopted December 29. The brutally frank British thought the whole thing was rather superfluous for the aforesaid rules of conduct and use were already inscribed at the Hague as part of the international rules

of warfare. The British said that just as the Germans had not hesitated to violate these rules in the past war, so any nation hard-pressed with its back to the wall would violate the Root proposal and misuse the submarine. Moreover, they said that any attempt of five nations to revise international laws for the odd fifty absent was foolhardy and just so much waste of good delegate time and energy.

Uchida approved the Root resolution with certain reservations by making sharper distinctions for belligerents and neutrals but did not insist that these be incorporated in the treaty.

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Tokyo-Washington, Conference No.2

January?, 1922

Washington-London, No. 10. January 4, 1922.

Referring to your cablegram No. 316, there is no objection to approving the Root resolution with the Balfour amendment except for the three following points.

1. The substance of Root's remarks to Hanihara concerning Section No.2 should be appended to the text.

2. The last part of Section 3 means trial and punishment for acts which are considered piratical, but does not mean that neutral nations can capture or attack the submarines in question on the high seas.

3. The last part of Section No. 3 should be amended so that in case infringers are found within the territories of a neutral, they shall be turned over to their country for trial and punishment.

Nos. 2 and 3 above are intended to avoid the danger of causing complications between belligerents and neutrals, but, if the other countries are strongly opposed to them, it will not be necessary to persist on these three points.

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The second part was adopted January 5. France wanted a clearer statement of the answer to the problem of when ^a merchantman was no longer a merchantman but an auxiliary craft. Great Britain refused absolutely to stop arming her merchant marine. As Root seemed to think that the problem was better left vague, as a consequence, the committee failed to define a merchantman; thus leaving to the future endless controversies as to whether armed commerce carriers are legitimate targets, or whether the submarine crew who will fire on them are really pirates or merely sailors. The piracy section was amended and adopted the next day.

Not much more was accomplished with that part of the agenda dealing with land armament[†] and control of new agencies of warfare. As we saw in No. 537 on Page () Chapter 5 of Part II Tokyo had announced a program of 320,000 men for her standing army, but she was willing to modify this if necessary. The only thing she refused to give up was her system of conscription.

At the second plenary session on November 15 when the nations were expressing ardent approval of Hughes' previously announced capital ship ratio scheme "in principle", both the United States and Great Britain stated that they had no proposals to make in regard to land disarmament, because their armies were at a minimum consistent with internal security. They implied rather forcibly that they expected the soubrette to take the initiative. Aristide Briand was more than eager to state the case for France and urged the chairman to call another plenary

session as soon as possible to permit him to do so.

On November 21 in the third plenary session he had his say. Many pleasing generalities about the "will to peace" were uttered but nothing definite was done.

Briand announced that the French army was already only two thirds of its pre-war strength, but because of the German and Russian menace it could not be reduced more than one half its pre-war strength. Nevertheless he promised to use his influence to cut military service from three years to eighteen months, thus reducing the number of men in service fifty per cent. The report on this was similar to the newspapers. Actually it was reduced to two years.

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Washington-Tokyo, Conference No. 58.

November 21, 1921.

The third open session of the conference convened on the morning of the twenty-first ~~inst~~ and Mr. Hughes, first reporting that favorable progress had been made by the various committees in their consideration of naval limitation as well as of the Pacific and Far Eastern questions, then said:

That, at this session, these questions are not to be touched upon, but that the question of limitation of armies will be brought up.

America, according to her traditional policy, commenced demobilization of its 4,200,000 troops upon the date of the armistice and, in a year's time had reduced its regular army to 160,000 and, although in all countries abroad varied especial conditions exist and there are especial reasons for apprehensions of danger, here there will be full opportunities given for all countries to present to this conference, and also to the entire world, the especial situations referred to, from the standpoint of their national security.

Then, M. Briand, taking the floor, explained the French position regarding the limitation of armies, taking up about an hour, the main points of his address

being as follows:

That France heartily approves of the object of this conference, in relation to world peace and limitation of armaments, and, as far as possible, will participate in the attainment of this object.

However, at the present moment, European affairs are in an exceedingly unstable condition, and France, in this state of affairs that is prevalent, is obliged, first of all, to consider its own national security.

Today, the world, in view of the destruction that has been made of the German armament, appears to be looking upon the armament of France as being established ultimately to take the position formerly occupied by powerful Germany, although this is an exceedingly unreasonable deduction. France has suffered many disappointments through the attitude of Germany since the armistice, as Germany has continually opposed the demands of the Allies, and also has haggled over them and has only been dominated with difficulty by the existence of a powerful French army.

The abolition of its armament requires a thorough examination from both sides. Today there is a peaceful, democratic Germany, but it must not be forgotten that there is, at the same time, another, an unchanged, aggressive, militaristic Germany.

For instance, such men as Ludendorff, in whose works, recently, there have appeared arguments aggrandizing war, connected with many deep laid schemes for the nation, and who exercise influence over many Germans, have not yet realized the spiritual disarmament of Germany.

From another point of view, regarding how completely Germany has been disarmed, looking at the great number of 7,000,000 adults in Germany who served in the great war, not yet settled in peaceful occupations, having among their number many potential officers and non-commissioned officers, it is seen that each of these, under the mask of "State Police", has a rendezvous given and is in a machine.

As a result of the war, Germany had its armament taken away but, from its origin, being a great industrial country, in a very short period of time

not only will it become strong and possess the ability to manufacture arms, but also there will be difficulty about its carrying on the manufacture of military armament secretly.

It is also to be noted that German industrial magnates are developing energy in Scandinavia, and, it must be added as important, they are also placing orders for arms in foreign countries.

Germany, doing in this way, at some time in the future, it must be seen, will be able to organize her 7,000,000 troops in a very few weeks time.

While France, alone, is not in very great fear of this, the European situation, though apparently, at a glance, is in a calm and peaceful condition; but not only is France weighed down by the facts at her door, but there are also various disquieting elements in other quarters. Especially, Russia, with more than a million population, is in a state of anarchy.

If great Russia once becomes allied with Germany, the results will not be unimportant, for, what obstruction could France's army, by itself, present to the combination of both countries? For France, not only after the *but will soon make a further reduction to one-half of its pre-war strength* armistice at once reduced its army one-third of its pre-war strength, and this step is dangerously near its lowest limit.

Though the French do not desire to act contrary to the spirit of the conference, it appears today the time for spiritual disarmament has not yet come, and it is believed that all countries concerned will sympathize with France's position and will show Germany that France is not in a state of spiritual isolation, and that it is absolutely necessary to destroy Germany's evil intentions after the abolition of its armament has been made, etc., etc.

Then, Mr. Balfour, taking the floor, spoke in approval of M. Briand's speech:

That, regarding his speech, it is understood that there is no hesitation regarding the limitation of armies, but, respecting armies individually, as they are inevitable effects of individual causes from exceptional conditions, there is great difficulty in applying the basis of moral disarmament, of which M. Briand spoke, to armies as to navies.

While M. Briand appears to have anxiety lest there be a desire for the moral isolation of France here, if such were really the case, it would be a fact to be greatly deplored.

England, in the recent war, though she paid for the liberty of France by the sacrifice of over a million men, while grieving, does not repent of it, nor will, in the future, the English nation's passion for liberty become cooled.

The Italian delegate also spoke in support of France, and stated the amount of reduction of the Italian army.

Then Plenipotentiary delegate Kato said:

That Japan sympathizes with France's exceedingly difficult position as stated by M. Briand, and also with the sacrifices of that country and also those of England, Italy, Belgium and all other countries which were made during the great war.

Japan is ready to support the principle of the limitation of armies, in accord with the general policy of the limitation of armaments to the necessities of an army adequate for maintenance of order within its own territory and its national safety and also for the principle of reduction of the burdens upon the nation.

Primarily, in regard to armies, as they depend upon the various conditions in each country as well as upon the geographical locations of each, it is difficult to place dependence upon any fixed basis, as in the case of navies, in arriving at a determination of a maximum or minimum.

It is declared here that Japan has positively never had the intention of maintaining an army that would exceed the lowest limit necessitated by the Far Eastern situation.

Following the Belgian delegate's speech, Mr. Hughes said:

That the American people sympathized with the position of France and her policy, and that they would always listen to her cheerfully.

That, generally, the main point for the realization of the great ideal

of the limitation of armaments is the "will to peace", and there can be no will to peace until the institutions of liberty and justice are established.

There is no longer isolation for defenders of liberty and justice. We, mutually opening our hearts, will give support. These things and their various points are well understood; the basis for danger to it and the reason for feeling these dangers are here; the essential conditions of the will of peace must appeal to all.

Judging from the utterances of the representatives of all the countries and also from the concurrence of all countries in a desire for peace, there will be generated also that security which cannot be supplied by armaments.

The conference then adjourned to meet at the call of the Chairman.

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The Japanese had no plan to suggest. The Italian delegates were very eager to have the matter discussed and action taken, for they were much concerned over the large standing armies of the small European nations not represented at the conference. Though America and England desired limitation, they obtained only the determined opposition of France, who refused to listen to reason without a peace guaranty pact. Still, Hughes could hardly expect two continental nations to consent to cut their standing armies drastically when most of their present allies and all of their former foes were not present at the table. The inclusion of this item on the agenda was a mistake in the first place. The Japanese realized from the beginning that they needn't make any effort one way or the other, for France would carry the day for them.

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Washington-Tokyo,

Conference No. 15.

November 24, 1921.

The discussion of the limitation of land armaments has been most keenly desired by the British and Americans who hoped that it could be brought up in

a way that would not hurt the face of the French, but through Briand's determined opposition the discussion was left vague. In future also it is the opinion of observers that nothing serious will be accomplished as long as France does not join in. In today's meeting the feeling was that the question was being treated as a mere [Ed. Note. Possibly, theoretical] question and it was considered that as long as there was nothing directly concerning Japan, there was no need for Japan to join particularly in the discussion and Plenipotentiary Kato did not take the floor.

After the session Briand told the other delegates good-bye and will return to France in a day or two. That through his strong efforts a general discussion of the limitation of land armaments was avoided must be considered a great success for France.

On the [Ed. Note. Possibly, twenty-fourth] Briand said jestingly to Coun~~sellor~~ Saburi that the old proverb "Speech is silver but silence is Golden" was not limited to alone. It is the feeling that through Briand's fight Japan without an effort has achieved a large part of its objectives.

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Italy advocated discussion of land armament but to no avail. France's flat refusal resulted in the appointment of committees on aircraft, poison gas and the rules and regulations of war. (stunt) (See Conference No. 77, November 25, ibid., Page 309-10.)

General Tanaka was equally straightforward in his expression of opinion on land armament. He surmized that the chief object of the British ^{was} to check the power of the French to protect England and that since no one was particularly interested nothing would happen. In his judgment the three committees were appointed more as a gesture because all this was in the agenda rather than with the hope of accomplishment.

From: Tanaka, Washington ① December 3, 1921.

To: Chief of Staff, Tokyo ① Conference No. 17.

... 1. The question of the limitation of land armaments had from the first not attracted general interest and has now been emasculated through the determined opposition of France to restriction. At present the British in the interest of their own country wish restrictions upon France and hope for action by the conference, but probably the matter will not come up for discussion. For the rest there are the three committees on poison gases, aircraft and the laws of war, but it is felt that they were established from the negative point of view of the undesirability of not making some noise as long as these questions were on the agenda. Restriction on poison gases is opposed by the French, Americans and others and it is doubtful whether it can be affected. The control of aircraft will meet considerable opposition, but it is expected that an agreement will be made for suitable measures of restriction. As to the laws of war, outside of an agreement for the prohibition of and it is expected that the discussion will end principally in scientific study.

(space)

When the military delegates were ready to leave December 26, France still stood resolute to block any action. Tanaka recorded their success as follows:

From: Tanaka, Washington, December 29, 1921.

To: Chief of Staff, Tokyo ① Conference No. A. 34.

... 1. With regard to the question of the limitation of land armaments, the British delegates have since expressed the hope that the discussion would be continued in the conference but they found no echo. There is no indication of anything coming up about future limitations which will require even the discussion of experts and the British army personnel will soon sail for home. As far as this conference is concerned it may be said that this question is

(space)
The committee on gas warfare, all realists, consisted of Dr. Edgar F. Smith, United States, chairman; Brigadier-General Amos E. Fries, United States, chief of chemical warfare; Colonel W. H. Bartholomew, Great Britain; Professors Moureau and Mayer, France; Lieutenant-Colonel Pentimalli, Italy; and Major-General Hatsutaro Haraguchi, Japan, military attaché to the Washington embassy. Their report January 6 was entirely negative: They thought that no nation would agree not to make and use gas as long as an unscrupulous enemy did; that since high explosives produced toxic gases, disputes were liable to arise over the source of gases present on the battlefields; that it was absolutely impossible to restrict the making of deadly gases due to the manner in which they were produced; and hence, it was not feasible to try to prohibit them.

(This should be triple spaced)
A sub-committee of the American advisory committee, apparently all idealists, had turned in to Hughes a paper recommending the abolition of gas warfare. January 6, Hughes arbitrarily rejected the report of the international committee of experts and suggested acting on the report of the subcommittee of the American advisory committee. Subsequently Root presented a resolution on this subject. This was adopted the next day, incorporated in the submarine treaty and submitted to the plenary session February 1. ^(Final) (See Appendix III.) All this was not passed without a ripple of opposition. Great Britain considered this resolution as superfluous as she did the one on the control of submarine use, because of previous Hague conventions. Moreover, the British delegates reiterated that the attempt of five nations to revise the international laws of war was foolhardy. This they thought was a matter for the League of Nations ^{to} investigate in cooperation with the World Court.

The report of the aircraft ^(object) _(subject) committee was equally negative. Rear-admiral William A. Moffet, chairman; Major-General Mason M. Patrick, United States; Air vice-marshall J. F. A. Higgins, Great Britain; Capitaine Albert Roper, France; Colonel Riccardo Moizo, Italy; and Captain Osami Nagano, Japan, formed this committee. They decided that it was impractical to limit the number of planes

and proposed a conference to which many more nations might come later to discuss regulating the use of aircraft in war. Colonel Moizo suggested that control might be secured through the number of licensed pilots allowed to a nation.

Just twelve weeks after the five nations assembled to discuss the limitation of armaments, two treaties were signed by their plenipotentiaries. One dealt with capital ship ratios, scrapping, replacement and size of war ships and a naval holiday and the other had to do with the regulation of the use of submarines and the abolition of the use of gas in warfare. This was adjudged a great forward step in the eyes of the world as well as by the mouths of the delegates. There were dissenting voices, however.

(This allowed her to express herself)

One of those minority voices crying in the wilderness called the work of the armaments committee a failure on these grounds: failure to limit land armament; failure to stop capital ship construction under the ten year naval holiday due to the modification of original purpose; failure to provide that the money saved by stoppage of the capital ship race be not spent on other war craft; failure to limit the total expenditure for military and naval purposes; failure to limit aircraft as to size, number, and use; failure to restrict or prohibit the manufacture and use of poison gas; failure to restrict or abolish the size, use and number of submarines. This voice, that of Senator William Henry King of Utah, added that the only achievement of the committee was to keep the Mutsu, build two super-Hoods and complete the biggest United States dreadnoughts. Anyone but a theorist, a scholar or a philosopher would call him a hopeless idealist.

Nevertheless Japan was no further from him in spirit than other nations. At least she started to the conference, thanks to the wise and just guidance of the Hara faction, with reasonably conciliatory ideals. If she laid them aside one by one, it was partly because she saw she would have little or no use for some of them and partly because of her struggles to obtain two desires for her people on the grounds of sentiment: the Mutsu and exclusion of Amami-Oshima and Ogasawara from the naval treaty. If the conference was a failure in the eyes of Senator King, the greater part of his indictment was not en-

tirely Japan's fault no matter what the public thought.

And now to take stock to discover to whom the honors go in the limitation of armaments joust. In spite of three bad errors in the judgment of the Japanese people: his failure to achieve a seventy per cent ratio in capital ships, to save the settsu and to exclude Ogasawara and Amami-Oshima from the status quo provisions, Baron Kato has the unexpected winning of the Mutsu to his credit. Another count against him was his handling of the status quo matter. He missed an opportunity to win the confidence of the Americans and Europeans by an open straight forward proposal. He should have defined Japan proper precisely and exactly as Tokyo wished, and above all he should have been definite and concrete. His failure to do this was, we have seen, due to advices from the military advisers. Score: five to one.

Of course the British did not succeed in even limiting submarines as to size, number or use, much less in abolishing them altogether as they originally desired. But this was not entirely Balfour's fault, for Arthur Lee, first Lord of the admiralty, presented these arguments. The former did, however, agree blithely and hastily to Article ~~XIX~~ without discovering that all of his own possessions in the South Seas were limited thereby and that there was only a vague understanding as to what Japanese possessions were bound not to fortify further.

Moreover, he joined Hughes in neglecting to consult France about the status quo on her Pacific islands, assuming that it would be all right with her, and the first she learned of it was from the public announcement. Then too England insisted on arming merchant ships in time of war and on having five airplane carriers. Balfour demanded the two super-Hoods and succeeded in getting them at a tonnage of 37,000 British tons each. He successfully destroyed the announced principle of a naval holiday of ten years. His score, then is four hits and four errors.

As for Hughes, probably his greatest mistake, that is, the one with the most uncomfortable and dire consequences, was the one of relegating France publicly to

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fourth place as a naval power by ignoring her in the first announcement of the naval ratio by excluding her from the United States, Great Britain, Japan announcement. Then, there was the matter of hurting French pride further by pointing out that France could not afford a big navy, nor a big standing army and she must economize to pay her debts, besides the neglect to consult France about status quo of her Pacific possessions. The result was he failed to get army, submarine, auxiliary craft limitation and his cherished naval holiday. He won his ratio, but he had to yield the Mutsu, the super-Hoods and the naval holiday in certain respects. He likewise neglected to pin *completely its effect on the Panama canal and Alaska and forgot* Japan down to facts on Article ~~XIX~~ and forgot to specify status quo on day of treaty signature or that it applied to future acquisitions. These mistakes were caught in time ~~after~~ after much trouble. He did get the limitation of Ogasawara, Amami-Oshima and Okinawa, however. His score totals twelve errors and four successes. The honors go to Balfour for the fewest mistakes and the greatest number of achievements.

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A

Part III. Four Power Pacific Treaty

Chapter 8. Legal Scrubatics.

9. Three's a Crowd.

10. Japanese Homlets.

524 (2124 pages) (37)
373 (53 4) (357)
424 (45 4) (311)

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Part III

Four Power Pacific Treaty

Chapter VIII

Legal Acrobatics.

The Four Power Pacific treaty which supplanted the Anglo-Japanese alliance was second only to the Five Power Naval treaty in importance for preserving peace in the Pacific and for promoting good will in spite of the controversy that raged over it in the senate. One would think that the jingoists who saw only bloody war in the unholy alliance would have rejoiced exceedingly in its demise, but such was not the case.

This ill-famed alliance, a defensive agreement for the preservation of peace in Eastern Asia and India which had persisted for almost twenty years, being renewed in 1905 and in 1911, was due to be revived by July 13, 1921. The previous year both countries had notified the League of Nations that the agreement would be revised to conform with their covenant before that date. This announcement the British at first considered a notice of nullification under the terms of Article VI of the treaty, but the Japanese differed, never intending to give it up.

On May 9 when Ambassador Gonsuke Hayashi called on Lord Curzon, British foreign secretary, to see about continuing the alliance, the latter wished a three months' extension of the agreement because of the pending conference of premiers of the overseas' dominions in June, but no question of interpretation of the previous communication to the League had yet arisen.

(apare)

London-Tokyo, No. 588.

May 10, 1921.

London-Washington, No. 232.

June 4, 1921.

During the session of the supreme council I requested the opportunity of an interview with Lord Curzon.

I had intended at this interview to hear His Lordship's views on the continuation of the Anglo-Japanese alliance. But on the ninth, when I was returning to London on the occasion of the departure of the Crown Prince (Note. This phrase is garbled and translation may not be correct), I saw Lord Curzon at the station and he said he wished to see me that afternoon for a short time. I called on him at 5 P.M..

He said there were several suggestions he wished to make regarding the continuation of the alliance. He stated that the revision of the Anglo-Japanese alliance would have to be conferred on and decided in succession by [Ed. Note. Possibly, the Dominion premiers]; that the conference of premiers of overseas dominions was expected to be held in June, they would need time to determine the attitude of the British Empire, and therefore he wished to postpone the matter for three months in which time the British and Japanese governments could negotiate and decide; he desired the agreement of the Japanese government to such a postponement.

I replied that I would immediately cable my Government, and I believed there would probably be no objection on the part of the Japanese

government. I added the question whether it would be necessary to inform the League of the above.

His Lordships said as this was a matter between the two governments, it need not be reported to the League.

(opore)

The British ambassador at Tokyo, Sir Charles Eliot, on May 19 called on Uchida to see about renewal of the alliance and casually dropped the explosive remark he believed that, as a result of the joint notice to the League of Nations, the alliance would expire unless ^{the renewal} ~~it~~ were signed before July 13. That was why he was asking a three months' extension. He was rather vague about it and Uchida was not sure what was official and what was merely personal opinion in his statement.

(Start to follow cable)

(Article VI of the Anglo-Japanese alliance as printed in the Japan Year Book, 1921-22

reads as follows:

The present agreement shall come into effect immediately after the date of its signature, and remain in force for ten years from that date. In case neither of the high contracting parties should have notified twelve months before the expiration of the said ten years its intention of termination, it shall remain binding until the ~~ex~~piration of one year from the day on which either of the high contracting parties shall have denounced it. But if when the date fixed for its expiration arrives, either ally is actually engaged in war, the alliance shall, ipso facto, continue until peace is concluded, etc.)

Tokyo-London, No. 323.

May 21 ? 1921 ^②

London-Washington, No. 233.

June 2, 1921 ^②

and
Tokyo-London, No. 324
London-Washington, No. 234

May 21 ? 1921
June 4, 1921

~~Very confidential.~~

1. Referring to your cablegram No. 588, the British ambassador at Tokyo called on me on May 19 and said that he had received instructions from his government to bring to our attention the proposal for the postponement of the question of renewing the Anglo-Japanese alliance. The substance of his instructions was not very different from your report in cablegram No. 588 of Lord Curzon's talk with you, but the text was fragmentary and he had asked his government for another copy.

On the twentieth he handed me the note which I am sending you in cablegram No. 324. It appears that he considered that as a result of the joint communication of July 1920 to the League of Nations, the alliance would expire unless it were renewed before July 13 of this year. The note is a paraphrase of the fragmentary cable instructions of his government, but also appears to reproduce some of the personal opinions of the British ambassador himself.

It is hard to judge whether it is not partly a reply to some observations made by me at the time of our interview, or whether it is the unchangeable interpretation of the British government. If the latter is really the case and it is entirely based on the views of the British government, our course of action will require careful thought. It is therefore desired that you take no action on the

question of prolonging the alliance agreement until we have reached some decision.

2. Our views of the force of the joint communication of July 1920 are that if the communication is to be strictly interpreted, it is nothing but an expression of the sincerity of the respect of the two countries for the covenant of the League of Nations, and a promise that when the alliance is renewed, it will be harmonized with the principles of the League of Nations. It is hard to suppose that the communication expresses the purpose of annulling the provisions of Article ^{VI} of the existing treaty. ^(Expt) If the negotiations are not completed by July 13 (Note. Gap in text) exert influence on the provisions of the existing agreement. According to the plain wording of an article of the existing agreement, unless one of the two contracting powers announces the purpose of abandoning the agreement, it will remain in force as before.

We have considered it proper to make clear to you the situation in regard to the prolongation of the agreement which exists in spite of the promise of July of last year. This is merely a statement of the situation, and you will keep the foregoing in absolute personal confidence.

(Spec) Tokyo-London, No. 324.
London-Washington, No. 234.

May 20, 1921.
June 4, 1921.

With reference to our conversation of yesterday the following observations occur to me.

The communication made to the League of Nations in June last states that:- "the governments of Japan and Great Britainnot inconsistent with that covenant". This communication contains two statements:- (1) the agreement as it stands is not consistent with the League of Nations; (2) that if it is continued after July next, it must be continued in a form consistent with the League of Nations,

that is to say not in its present form.

It appears to me to follow from the above that if neither party takes any step before July 13, the agreement will lapse in spite of the principles in Article ^{IV}~~A~~, because the communication to the League of Nations is posterior to the agreement and deliberately modifies it.

Seeing that the Imperial conference does not meet in London till June and seeing that it is most improbable that any decision in respect to the renewal of the alliance can be taken before July 13, my government suggests^s:- first, that the agreement should be prolonged for three months; secondly, that in order to bring it into harmony with the covenant of the League of Nations during this period a proviso to the following effect should be added: if, during the three months of prolongation, any situation arises in which the procedure prescribed by the terms of the agreement is inconsistent with the procedure prescribed by the covenant of the League of Nations, then the procedure prescribed by the said covenant shall prevail over that prescribed by the agreement.

For the present I am instructed to regard these proposals as confidential and Lord Curzon says nothing about making a second communication to the League of Nations. I imagine, however, that if your government accepts the proposals, as I hope it will, such a communication will ultimately be made,

(space)

Curzon was impatient for Tokyo's answer, but Count Yasuya Uchida, pending the government's efforts to obtain a definite decision and understanding on the question of nullification or no, had postponed granting the requested three month's extension.

(space)

London-Tokyo, No. 672.

May 26, 1921.

London-Washington, No. 235.

June 3, 1921.

While I was talking with Lord Curzon on May 25, his Lordship asked whether I had received an answer regarding the three months postponement of the question of renewing the Anglo-Japanese alliance.

I tried to parry by replying that I had no particular information. I had received only a short cablegram that the matter was being considered. I had received no detailed advices, but I imagined that there would be no disagreement. Uchida [Ed. Note. Possibly, hadtsought] (Note. Text garbled and broken) apparently the personal opinions of the British ambassador. I supposed that his opinions about the interpretation of the communication to the League of Nations were being investigated.

His Lordship seemed to feel that this was strange.

I think that it would be advisable to send an answer as soon as possible and not go into the question of interpretation.

(space)

The idea of Sir Charles Eliot apparently was his own, for Hayashi; after further instruction from his government, presented the whole difficulty to Curzon. The latter was wrapped up with the idea of his three month's extension and the necessity of a further extension if nothing was settled by then.

(space)

London-Tokyo, No. 700.

June 2^d ?, 1921.

London-Washington, No. 240.

June 3, 1921.

~~Very confidential.~~

I received your cablegrams Nos. 339 to 341 and No. 343 on June 1, and called on Lord Curzon the afternoon of the second.

His Lordship said that he regretted that he would be unable to have a long talk with me on account of the cabinet meeting that day.

I said that my purpose in calling on him at this time was first

that, with reference to the desire that His Lordship had expressed on a previous occasion for a three months postponement of the question of revising the alliance agreement, there was a question of the interpretation of the validity of that agreement, and, second, because the British ambassador at Tokyo had called on the minister of foreign affairs Uchida and stated his private opinion that the agreement would lapse of itself unless it were revised before July 13 and that this was the reason for His Lordship's suggestion of a three months' prolongation. I explained in a few words that in the opinion of Count Uchida, in case it were desired to abrogate the alliance agreement, the purpose of abrogating it must be announced in the form prescribed in the terms of the agreement, and the agreement would then terminate after one year from the date of such announcement.

His Lordship said that the interpretation that the present agreement would expire of itself at the end of the three months certainly did not seem to fall in [Ed. Note. Possibly, with ^{his} ~~the Count's~~ interpretation.] Would there not be some means of prolonging the period in case the negotiations for the revision of the agreement were not completed within the three months? He asked whether this was the view of Count Uchida.

I said that the foregoing was what Sir Charles had told Count Uchida, and pointed out that the latter held entirely the opposite opinion. Here we were interrupted. I handed His Lordship copies of your cablegrams Nos. 324, the note of the British Ambassador, 340 and 341, saying that from these he could get a clear understanding of the views of both sides in detail, and took my leave.

(Apace)

The chief of the Far Eastern Divisions of the English foreign office, on June 3 upheld the Tokyo ambassador's views and later handed a note to Hayashi, repeating his belief that the notification of July 1920 was the necessary denunciation for abrogation

and suggesting an exchange of notes about the prolongation of the treaty during negotiations with a proviso in a joint note to the League that should any incident occur, no action inconsistent with the covenant would be taken. But the Japanese embassy representative, possibly M. Nagai, embassy councillor, thought the proviso unnecessary, because of the previous communication.

(Ft. nt to follow cable)

(2 Article XX of the covenant of the League of Nations reads:

1. The members of the League severally agree that this covenant is accepted as abrogating all obligations or understandings inter se which are inconsistent with the terms thereof, and solemnly undertake that they will not hereafter enter into any engagements inconsistent with the terms thereof.
2. In case any member of the League shall, before becoming a member of the League, have undertaken any obligations inconsistent with the terms of this covenant, it shall be the duty of such member to take immediate steps to procure its release from such obligations.)

London-Tokyo, No. 703.

June 3 ?, 1921.

London-Washington, No. 244.

June 4, 1921,

London-Tokyo, No. 715

June 8, 1921

London-Washington, No. 249

June 9, 1921

(Note. Text is difficult and translation leans heavily on information obtained from other messages in this series.)

In my interview with Lord Curzon on June 2 which was reported in my cablegram, No. 700, I did not have time to give him a full explanation, and as there were points on which his Lordship was hazy, I sent a member of the embassy staff on the third to call on the chief of the Far Eastern division of the foreign office.

The circumstances of the interchange of opinions with the British ambassador at Tokyo were explained to the foreign office official.

The latter said that in the opinion of the foreign office the position of Sir Charles was correct and not only must the joint communication of July 8, 1920 be regarded as the denunciation contemplated in Article ^{VI} of the agreement, but it must be said to constitute a definite promise on the part of the two powers to make the agreement harmonize with the covenant after July 1921. Negotiations would be opened after the conference of the premiers of the over-seas dominions. As there would not be time to complete these negotiations before the date of expiration of the agreement, he thought it proper to prolong the validity of the agreement of alliance for three months and to communicate this fact to the League of Nations. In a spirit of respect for the League covenant it would also be necessary to prepare a proviso providing for the parts which were especially different from the Covenant.

The official also said confidentially that this was based on the opinion of the legal advisor of the foreign office. In fact the legal advisor had completed a draft of a joint communication to the League, and he expected soon to secure the approval of Lord Curzon, and cable it to the British ambassador.

The embassy representative said that he well understood, [Ed. Note. Possibly, the necessity of having it conform with the League covenant.], but it was a little inconsistent with what Lord Curzon had said to Ambassador Hayashi a few days before. His Lordship had not referred to the termination of the validity of the agreement, but had suggested a three months prolongation

of the negotiations. He inquired whether His Lordship at that time entertained the views which had just been expressed.

The chief of division said that there was some question whether Lord Curzon at that time had well understood the legal situation. His Lordship had rather concentrated his attention on the political aspects of the question. The official went on to say that he thought that the legal bearings of the matter were entirely an academic question. If the joint communication which Great Britain was about to present to the Japanese government should be sent to the League of Nations, a perfect understanding would be achieved. He hoped to secure Lord Curzon's approval for the text of the communication in the form in which it had been drafted. In case the negotiations could not be completed in ~~three~~ three months interval, the procedure could be repeated.

The embassy representative said that if the facts were as stated, it appeared that this legal interpretation was very recently decided on. He inquired whether Lord Curzon had investigated it, since his personal conversation with Ambassador Hayashi early in May.

The foreign office official affirmed that the matter had been investigated since then.

The embassy representative said that on the assumption that the joint communication to the League of Nations were made, and that simultaneously with the development of the covenant of the League of Nations, any provisions in the agreement of alliance which conflicted with the covenant were invalidated, he thought that it might not be necessary to make the proviso which had been mentioned.

The chief of division looked up the authority for this in the text of the covenant, and said that this threw a new light on the matter and he had never thought of it before. He gave the embassy representative the impression that in case this interpretation were established, he might not insist on the proviso.

London - Washington, No. 249.

June 9, 1921.

In our recent conversations on the subject of the prolongation of the Anglo-Japanese agreement, I mentioned that I did not think that the proposed prolongation for three months would necessitate any modification of the terms of the agreement or any further communication at the present stage to the League of Nations.

2. A point of a somewhat technical character has, however, arisen and I am advised that as a matter of correct legal procedure it would be necessary, in accordance with Article ^{XX}~~XX~~ of the covenant of the League of Nations² and in fulfilment¹ of the promise contained in our joint communication to the League last year, that there should be a proviso to the effect that if anything should arise during the period of prolongation, which under the alliance might involve action inconsistent with the procedure laid down in the covenant of the League of Nations, the principles and procedure of the latter should prevail over those of the agreement² and should be adopted. From a telegram just received from His Majesty's ambassador at Tokyo⁴, I understand that your government, although inclined to doubt whether such a proviso is necessary, would have no objection to its adoption.

3. I would propose therefore that notes should be exchanged effecting the prolongation² and containing the above-mentioned proviso and that a joint notification should then be made to the League of Nations either by communication to the secretariat of the League of the notes or by making some joint declaration embodying the proviso.

4. Sir Charles Eliot has reported that the Japanese government had not regarded the joint communication made to the League of Nations, dated July 8, 1920, as meaning that the agreement would terminate on July 13 next, unless renewed. The minister for foreign affairs has asked Sir Charles Eliot to obtain an expression of my views on this point and I am informing His Excellency in reply that, as the present

agreement was admitted, in our joint communication of last year, to be inconsistent with the covenant of the League, and as it was then stated that if the agreement be continued after July 1921, it must be in a form which is not inconsistent with the Covenant. His Majesty's government are advised that the communication of last year must be held to constitute the notification of the termination of the agreement required under Article VI.

(Space)

As late as June 25 England reiterated in a note to Hayashi the claim for notification of nullification.

(space)

London-Tokyo, No. 1

June 29th, 1921.

London-Washington, No. 279.

June 29, 1921.

I have the honour to acknowledge the receipt of your note of June 24, in which you inform me that the Japanese government adhere to the view that the communication made by the governments of Japan and Great Britain to the League of Nations on July 8, 1920 can hardly be regarded as affecting in any way the principles of Article VI of the Anglo-Japanese alliance agreement of July 3, 1911, as regards termination of the agreement.

As Your Excellency is aware from the last clause of my note of June 8, this does not correspond with the view of His Majesty's government. And since that date the matter has been further studied by the legal authorities who have definitely advised that the joint communication to the League of last year does constitute a notification within Article VI by both the high contracting parties of an intention to terminate the agreement on July 13, 1921, unless in the meantime a new agreement were entered into. It thus follows in the considered opinion of His Majesty's government that the agreement will expire automatically on the last mentioned date unless it is renewed in the interval.

(space)

The Japanese from the very first persisted that the British interpretation of the joint note to the League was wrong. Uchida told Eliot this on May 19 as we saw above in No. 323, when the latter first brought this question to the fore, and followed this with a note to the effect that Japanese expert opinion said the joint communication last year did not affect the alliance and suggested that notice of prolonging for a reasonable period the negotiations concerning the revision be given the League rather than notice for prolonging the agreement itself. There was nothing he could see to prevent the agreement from lasting. Moreover, he ordered Hayashi to inform Curzon of all that had transpired. ^(The following cables) Count Sutemi Chinda had previously been ambassador to England.) These three cables follow: first, orders for Hayashi; second, Uchida's note to Eliot, and third, the Japanese legal opinion on the state of the alliance.

(spare)

Tokyo-London, No. 339.

May 30, 1921.

London-Washington, No. 236,

June 2, 1921.

~~Tokyo-London, No. 340~~

~~London-Washington, No. 237~~

~~May 30, 1921~~

~~June 3, 1921~~

~~Tokyo-London, No. 341~~

~~London-Washington, No. 238~~

~~May 30, 1921~~

~~June 3, 1921~~

~~Very confidential.~~

After careful consideration of your cablegram No. 323, the answer given in the accompanying cablegram No. 340 and the annex to that answer given in cablegram No. 341 were handed to Ambassador Eliot. It is thought that the whole text may not be cabled by ambassador Eliot, and you will therefore as soon as possible hand Lord Curzon copies of these cablegrams and of cablegram No. 323, the note of the British ambassador to us.

The negotiations on the alliance question must be kept very secret, but you may from time to time cable the progress of the negotiations to all ambassadors as information to be kept secret by them.

(Pace)

Tokyo-London, No. 340.
London-Washington, No. 237.

May 30, 1921.
June 3, 1921.

I have given careful consideration to the contents of your note of the twentieth ~~is~~ concerning the Anglo-Japanese agreement of alliance.

In regard to the interpretation of the duration of the existing agreement, I find on consulting expert opinion that it differs widely from yours. According to this expert opinion, an outline of which is herewith enclosed for your information, the joint communication of July 8, 1920 in no way affects Article VI of the existing agreement and, moreover, it would seem clear that the joint communication was not intended to mean that the agreement should, in case [Ed. Note. Possibly, of no revision, lapse.].

Both Lord Curzon and Count Chinda were of opinion that the clause in the original draft of the joint communication reading "the said treaty can only be continued after July 1921, etc." gave the impression that there was an intention of renewing the

alliance, so the clause was by common consent made to read "if the said agreement be continued, etc."

Since it is to be apprehended that, owing to the pendency of the British Imperial conference and other circumstances, the negotiations for the modification of the existing agreement would not be completed within the [^]period specified in the joint communication, it is desirable that some practical way be found for the prolongation of those negotiations. For that purpose my government desire to adopt either of the two following methods.

(1) The first part of the proposal of your Government to be changed so as to prolong the negotiations concerning the agreement instead of the agreement itself. As to the second part of your proposal, there does not seem to be any necessity for a special provision, seeing that the understanding of your government embodied therein is a principle which was recognized as soon as the covenant of the League of Nations took effect. My government, however, have no intention to sustain their objection in this respect, though it must be observed that at any rate for the reasons just mentioned the phrase "during the three months of prolongation" may well be dropped.

(2) To enter into an agreement to prolong the time limit provided in the joint communication of last July, for a reasonable period instead of three months as suggested by your government.

Whichever of the above methods be adopted, my government deems it proper, in view of the fact that the new agreement must be regarded as being based on the joint communication to [Ed. Note. Possibly, the League] (Note. Apparent long omission) - .

I beg to request you will be so good as to communicate the above to your government and let me know their views in the question.

(space)

10 Keys - London, No. 341.
London - Washington, No. 238.

May 30, 1921.
June 3, 1921.

The communication which Japan and Great Britain jointly made to the League of Nations on the eighth of July last year can hardly be regarded as affecting in any way the principle of Article ^{VI} of the Anglo-Japanese agreement of alliance.

That communication merely states that the two Governments agreed to take such steps at a proper moment as might be necessary in order to harmonize the form of the agreement with the principles of the covenant of the League of Nations. It can hardly be said that in making the communication to the League the two governments had the intention to let it have such an important effect as to make the agreement lapse, or that in doing so they agreed that they had performed the necessary procedure to invalidate the principles of Article ^{VI} of the agreement. Furthermore the two governments clearly recognized that the agreement is in harmony with the spirit of the League and the principle is in no way recognized that the agreement, being imperfect in form, shall in its entirety lapse in July of this year.

Japan and Great Britain having made a declaration to the League of Nations that they would modify the form of the agreement, they must be said to be morally bound so to do. But for the reasons given above it may also be held that the two governments are at liberty to prolong, if necessary, the term within which that express modification of the agreement is to be made. Even if, however, the said modification should not be effected within that term, there is nothing to prevent the agreement's remaining in force.

(space)

After a talk with Eliot on May 31, Uchida, suspected him of proposing the three months' extension, so that the alliance might expire automatically whatever the conference of premiers wanted. Uchida wanted the alliance abrogated in a

blaze of glory rather than in a half-hearted, ambiguous manner.

(Space)

Tokyo-London, No. 343,

June 1, 1921,

London-Washington, No. 239.

June 4, 1921.

After our cablegram No. 339 was sent on May 30, the British ambassador called on me on the next day, the thirty-first, and we discussed various points about the alliance question.

The ambassador displayed a manner of speaking as if Ed. Note. Possibly, preparing for notification] (Note. Garbled) in case the dominion conference should decide against the continuance of the alliance. Ed. Finally I guessed from the way he spoke that his proposal to change July in the joint communication to October was made as his own personal view, and I thought that he might have the underlying purpose of making an opportunity for the alliance agreement to expire automatically whatever might be the decision of the conference.

I said that although the joint communication of last year specified July, it was not the intention that that term should terminate the present agreement. Therefore while there was no decided objection to changing that term to October, it was important to make it clear that the change to October would not mean that the alliance agreement would terminate at that time, but merely that the negotiations for the revision of the agreement would be prolonged until then. If it were desired to terminate the agreement, it must be done through a legitimate procedure. According to Article VI of the present agreement, the purpose of abrogating the agreement must be formally communicated, and the agreement would lose its force at the end of one year from such announcement of purpose.

In case the dominion conference should decide not to continue the alliance, there was nothing to be done about it, but our national feeling would not permit that after the lapse of twenty years which the

alliance had endured, the alliance agreement should be allowed to expire in a half-way, ambiguous manner. (Note. The next sentence is very doubtful as text is fragmentary.) I trusted that my words would be exactly reported as in fact my one purpose was to make my meaning clear.

The ambassador with some embarrassment said that he would cable my remarks that same day to his Government^e and withdraw^e.

You will as quickly as possible secure an interview with Lord Curzon^e and will make our attitude clear in accordance with my remarks.

(space)

Hayashi promptly exonerated Great Britain of trying to get out of the Anglo-Japanese alliance through the back door by means of a three months' extension and offered as proof the fact that New Zealand^e and Australia favored the continuance of the agreement. The pressure for extension was solely due, he thought, to the coming conference of premiers and any discussion of a "possible denunciation" was only academic in his eyes.

(space)

London-Tokyo, No. 706.

June 2 ?, 1921.

~~L~~ London-Washington, No. 247.

June 6, 1921.

~~Very confidential~~

Referring to my cablegrams Nos. 700 and 703.

(1) When Lord Curzon, in recently proposing a three months prolongation of the period for revising the agreement of alliance, took the position that the joint communication of last year to the League of Nations operated as a promise to harmonize the present agreement with the covenant of the League before July 13 of this year; that, as a natural result of this, it was necessary to complete the revision of the agreement before

that date; and that, therefore, as this was hard to effect, it was desirable to prolong the time for the revision to October 13 of this year, + do not think that the British Government had the underlying purpose of abrogating the Agreement of alliance, that it adopted the procedure of that communication especially for that very purpose, that to conceal this purpose (Note. Phrase doubtful.) it had made this proposal for a postponement, nor that this action proceeded from the idea that this would result in letting the agreement expire of itself. (Note. The foregoing in Japanese is all one sentence with the words "I do not think" kept for the end. It is considerably garbled, but the translation is probably fairly accurate.)

The British government wished the self-governing dominions to express their views on the renewal of the alliance with absolute freedom. The recent British proposal for extending the time for negotiating a revision is connected with this, so far as I can see. As a result of the postponement, the British government will not have to declare its views at an inconvenient time. I think that the proposal was a fact brought about after the premiers of New Zealand, Australia, etc. had publicly expressed their opinions favoring in a general way the renewal of the alliance.

(2) The point as to whether the joint communication of last year was legally a denunciation of the agreement is, as the British have also said, no more than a merely academic question. A controversy over the point would merely stir up feeling on both sides without affecting any essential interest. I therefore think that in view of the general situation it is by all means the better policy not to indulge in any irritating discussion of the matter at this time. '...'

(space)

The ambassador to London advised Uchida to accept the British view of the matter and grant the extension and proviso.

London-Tokyo, No. 720 .

June 7, 1921,

London-Washington, No. 250 .

June 9, 1921 .

~~Very confidential~~

Referring to my cablegram No. 714, it appears more and more obvious that the views of the British government, as given in the British note, with reference to prolonging the period for revising the agreement of alliance, are entirely based on the opinions of the legal experts of the foreign office, and that the British will not change their demand for a proviso to the effect that, if anything should arise during the period of prolongation, which under the alliance might involve action inconsistent with the procedure laid down in the covenant of the League of Nations, the procedure of the covenant should be adopted, and their demand for a three months prolongation.

It appears that the legal experts persist in their former views in spite of the suggestion made in my cablegram No. 703.

As the question of the effect of the joint communication on the force of the agreement of alliance affects no essential interest, I think that we should make no carping argument, but regardless of what may be the merits of the case, we should yield to the British proposal and approve the three months prolongation and the notification to the League of Nations of the fact of such postponement. This is merely an humble suggestion, made in haste.

(apace)

But what was the world at large thinking and saying about the alliance as it stood? Canada, according to "Putnam Weale" feared that the alliance would involve them in a war with America. The colonists were determined to defend North American territory at all costs, even if it led to a break with England, should the latter support her ally. China, of course, would always side against Japan, he thought. This "iniquitous" treaty was symbolic to the minds of some of the break-up of the British Empire.

To certain Americans, in spite of the reservation expressed in Article IV,-
that the agreement was not effective against a third country with which either
ally had a treaty of arbitration,- it was a dangerous weapon, making unsafe the
Philippines, weakening Hawaii, and blocking the open door. Official London,
Australia and New Zealand wished to reproduce the alliance. India was willing
for the renewal provided that the part requiring Japan to go to the defence of
India was stricken from the agreement.

Definite steps were taken to overcome these objections, however, which
Hayashi summarized as mainly due to the American hatred of Japan and antagonism
for the Japanese; to the suspicions of the Labor party in England of Japan's
policy in China and Siberia, and to a movement afoot in China. He suggested an
enlightenment campaign in which a clear statement would be made that the all-
iance would never be used against America. It was becoming necessary to fight
propaganda with propaganda.

Bertram Lenox Simpson, ^{who wrote as "Putnam Weale"} former adviser of the Chinese government, had been
traveling in Canada, America, and England and talking against the alliance. It
had even become necessary for the Chinese foreign minister, Dr. W. W. Yen, to
issue a statement disavowing that Simpson was speaking with the authority of the
Chinese government behind him. ^(Int to follow cable) (Reuter's is a news agency.)

Space
London-Tokyo, No. ?

June ?, 1921.

June 18, 1921.

In view of the impending conference of premiers, I state below what I consider the three fundamental objections to the continuation of the Anglo-Japanese alliance, and my views regarding each.

1. There is among some Americans a hatred of Japan, and the sentiment of such is against the renewal of the alliance.

2. The Labor party (Note. Labor party for "rooyake" of text is uncertain) is suspicious of our policy toward China and Siberia, and therefore holds views opposing the continuation of the alliance.

3. There is a hostile movement in China against Japan.

As to No. 1, and the anti-Japanese feeling in America, this is unavoidably a national condition. Nevertheless, it should be made clear that the existence of the alliance will have no effect whatever on relations with America, and that there is no intention on the part of Japan to use the alliance in any way in the various negotiations with America.

As to No. 2, and the suspicions of the Labor party (?) towards us, such suspicions are held not by that faction alone, but now even by some among the thinking men of England and America. I therefore think it important to make this meeting of the conference of dominion premiers the occasion in some way or another to set forth clearly our policy toward Russia and toward China.

As to No. 3, and the hostile movement in China, the present betterment of China is attendant upon China's own efforts, and, as a matter of fact, Japan is cooperating with the allies in striving for this betterment. Particularly I believe it necessary, since Simpson is busy in this country with propaganda, to devise a method of publishing in Europe and America through proper organs, such as Reuter, the declaration of the minister of foreign affairs given in Tokyo-Washington cablegram No.

One friend of the alliance in London was the British minister of the colonies, Winston Churchill. He favored it because he feared the expansion of the American navy and the ensuing naval race, though one objection was the immigration question.

(apart)

London-Tokyo, No. 748.

June 1, 1921.

London-Washington, No. 261.

June 18, 1921.

~~Very confidential~~

In conversation with Winston Churchill I referred to the renewal of the Anglo-Japanese alliance and the dominions conference. Churchill said that he would like to hear my views for his information.

I said that there were three arguments advanced against the renewal of the alliance:

1. British-American relations.
2. The immigration question.
3. Matters connected with China.

In regard to the maintenance of friendly relations with America, Japan was equally and by no means less interested than Great Britain. It could not be supposed that Japan wished to confront America with a union of Great Britain and Japan.

With regard to immigration, Japan had yielded to the demands of the dominions and imposed restrictions, nor would she suddenly change this attitude. Anxiety about immigration might be dismissed as an idle fear.

With regard to the China question, a man named Simpson professing to represent the Chinese government had been giving out arguments against the alliance, but it had been ascertained that the Chinese government had given him no such authority. It appeared

that a propaganda had been conducted by chambers of commerce in China, but after all there could be no misunderstanding of the fundamental spirit of our attitude. The relations between China and Japan did not permit an aggressive or oppressive policy, and it was most unreasonable to argue that Japan after reaching an agreement to work in harmony with all the interested powers should [Ed. Note. Possibly, suddenly change.]

After listening to the foregoing, Churchill said that he personally had favored the alliance ever since its inception and to the present day, but he had hesitated to refer to the matter before a decision was taken by the dominions conference, and did not like to discuss matters which were in the hands of the prime minister and the minister of foreign affairs. One thing, however, which could not fail to be in his mind as colonial minister was the expansion of the American navy. This expansion would influence other navies and might distress Great Britain in these very hard times. ... (Note. This whole statement of Churchill's views is almost hopelessly garbled and doubtful. Apparently there is a sentence or two of explanation of the importance of America in British foreign policy under recent circumstances and as expression of a wish that questions outstanding with America, including the Pacific question, could be settled.)

He made me suspect that he had in mind the idea of promoting harmony between Great Britain and America by settling the Pacific question among Japan, Great Britain and America during the dominions conference.

I report the foregoing as a bit of material for consideration.

(special)

China had been conducting an active publicity campaign to arouse feeling against renewal in America and the foremost countries of Europe, but the British

consul-general at Shanghai, Sir. E. Fraser, had derided the importance of this movement to the press. (Flat to follow cable)
(Ku Wei Chun is V. K. Wellington Koo, the Chinese minister at London.)

(opac)

Tokyo-London, No. 380 .

June ?, 1921.

London-Washington, No. 263.

June 18, 1921.

~~Tokyo-London, No. 381~~
~~London-Washington, No. 264~~

~~June 1, 1921~~
~~June 18, 1921~~

Discussion of the renewal of the Anglo-Japanese alliance seems recently to be becoming active in China.

On June 11 by a decision of the Shanghai chamber of commerce, telegrams were sent to Ku Wei Chun and to the principal English newspapers opposing the conclusion of a new agreement between Great Britain and Japan without securing the approval of China to the provisions affecting China.

.....(Note. A garbled passage about similar protests). All commercial organizations in Shanghai united in cabling protests to the legislative bodies of Great Britain, America, Italy, France, Canada, Australia and India. An especial appeal was directed to Great Britain on the grounds of the influence which the alliance would have on the development of China and the encouragement which would be afforded the aggressive policy of Japan. It is said that the hope was expressed that, in case of a decision to continue the alliance, all the merchants' organizations of the whole country should boycott British and Japanese goods and thus an end would be put to the alliance which was harmful to the tranquility of the Far East.

The true facts regarding reports of this kind are not clear, but judging by experience, they are probably no more than the propaganda of agitators. Simpson in London and others spread reports of Chinese opposition to the alliance, but on the other hand there is evidence that the Shanghai opposition is not representative. An instance is given in cablegram No. 381, a talk which the British consul general at Shanghai had with the press correspondents there, and in which he expresses the hope that the British authorities will not attach too much importance to the movement of opposition to the Alliance.

Spore — Tokyo-London, No. 381.

London-Washington, No. 264.

June 7, 1921.
June 18, 1921.

According to newspaper reports, the British consul general said that it was reported that chambers of commerce in China had recently sent the British government cablegrams opposing the Anglo-Japanese alliance. Things like this would not affect the alliance. The chambers of commerce in China were by no means representative of the Chinese people, and therefore could not speak in a capacity to impress Great Britain.

Englishmen resident in China approved the renewal of the alliance. There were inevitably some objections to the alliance, but under present conditions thinking men in general considered it necessary for the maintenance of peace in the Far East, and therefore did not care to pay any attention to the so-called arguments against it which undoubtedly originated from ambition.

So far as the existence of the treaty did not prejudice the interests of other^s, he did not think that other nations had any reason to oppose it. It need not be said that there were in the Far East important questions fraught with danger to the peace of the world, and, if the alliance could avert these dangers, the world owed it thanks. The question of whether or ~~not~~^{not} the ^{alliance} should

be renewed depended on the decision of the dominions conference, which was about to open at London^(b) and it was not yet time to announce it, but, if he might state his individual views, he was confident that it would certainly be continued.

(apare)

At the opening of the dominion conference June 20, Premier Lloyd-George proposed to discuss the arms limitation proposals which were emanating from America and stated indirectly that England would not side with Japan against the United States. Official propaganda released in America June 21 said that England was keeping America informed of all negotiations on the Anglo-Japanese alliance. Secretary of State Hughes hastened to deny this the next day.

(apare)

Washington-Tokyo, No. 346.

June 22, 1921.

Urgent.

The Associated Press of Washington sent out a report on the twenty-second, which is in substance as follows:

According to a report received on the twenty-first from a reliable source, it is stated that Great Britain will during this month make a declaration to Japan of her intention to renew the Anglo-Japanese alliance.

The state department is said to have been in receipt from time to time of detailed reports on the intentions of the British government. According to reliable report so received, it is stated that Great Britain in the renewing of the alliance will with scrupulous care prevent the insertion of provisions harmful to American interests. Also the Imperial conference, now meeting to discuss the renewal of the alliance, is reported to be there for the purpose of having laid before it the

views of each of the British territories respectively, regarding the pros and cons of the renewal of the alliance, particularly in its relation to America, at the same time getting the views of the representatives on a revision of the alliance. One idea is that the British government shall herself so revise the alliance as to make it clear that in the event of a Japanese-American war she will be under no obligation to fight America. Great Britain claims that even in the existing alliance this point is clear, but it is expected that in order to dispell all doubt, this point will be made clear in due treaty form by especially designating the name of America.

Before, in the treaty of alliance as renewed in 1911, there appeared the provision that Great Britain did not consider the treaty of alliance applicable to countries with whom she herself had treaties of arbitration. But this was based on the supposition that the American senate would ratify the Anglo-American arbitration treaty then under discussion. When the senate refused ratification, the British government through authoritative channels declared that in the minutes of the treaty of alliance an explanation was clearly made to the effect that America was not included in the [Ed. Note. Possibly, obligations] of the treaty of alliance.

However, as a result of this declaration, suspicions were still unavoidable, and, when in December, 1914, the Bryan treaty was concluded, Great Britain formally announced to Japan that she considered this Bryan treaty a treaty of arbitration on the terms of the treaty of alliance.

(apace)

Some of the visiting premiers wanted to discuss the alliance by itself, some wanted to take it up in connection with the naval policy, and others wished to class it with questions of American relations. Lloyd George had a secret conference of

the prime ministers June 27, but could not swing them into unanimous agreement on the alliance. Two days later Arthur Meighan, prime minister of Canada, announced boldly that the new Anglo-Japanese alliance would not be binding on Canada unless it was ratified by the dominion parliament and this probably would not occur if the military clauses were not discarded. General Jan Smuts, Representative of the Dominion of South Africa, two days later even suggested a general Pacific conference on armaments and policy for all interested states, as a means of settling the alliance.

Meanwhile ambassador Shidehara was urging a plan of official announcements to give the Japanese side of the question and put Japan in the right light as to the renewal. There was an exchange of five cables between Washington and Tokyo before the former decided to prepare the press release for July 4. Tokyo ordered Washington to enlighten the United States on the truth of the renewal according to dictated suggestions, but Washington replied that an announcement from Japan would be more effective with a distribution of the English text here. Tokyo was afraid this would stir up intense feeling on the subject at home and preferred to have all quiet there at this time. Washington finally agreed.

(spare)

Washington-Tokyo, No. 348.

June 23, 1921.

~~Tokyo-Washington, No. 4256~~

~~Washington-London, No. 181~~

~~June 24, 1921~~

~~June 25, 1921~~

~~Washington-Tokyo, No. 857~~

~~June 26, 1921~~

~~Tokyo, June 20, 1921~~

~~June 20, 1921~~

~~Tokyo, June 20, 1921~~

~~June 20, 1921~~

~~Very Secret~~

From Ambassador Hayashi's cablegrams and from various newspaper cablegrams from London concerning the Anglo-Japanese alliance proposition, I gather that the present British dominions conference is almost unanimously of the opinion that the alliance must be formulated with suitable amendments added to the text of the treaty, in order to remove the cause of the uneasiness America would naturally feel as a result of an Anglo-Japanese alliance.

As to Japan's views, there are no newspapers in the country giving out authentic (?) reports. According to present indications, the impression given everywhere is that a revision of the above treaty depends entirely upon British opinion. If Japan should finally agree to such revision, it would be understood that, in view of British demands, she could not do otherwise than give way.

Taking a quiet survey of these various circumstances, I think we should now make a clear exposition, suitably worded, and in substance as follows:

Regarding the question of whether or not Japan will renew the Anglo-Japanese Alliance, Japan does not consider it the time to state an opinion before the [Ed. Note. Possibly, meeting of the Imperial conference]. However, she would lay emphasis alike on the fact that in any case she has no such desire as to utilize the ... [Ed. Note. Possibly, alliance] in any way in opposition to America; as well as on the fact that, in order to insure the peace of the world, Japan hopes her friendship with Great Britain may become more and more strong, and that her traditional friendly relations with America may increase, and the source of all

suspicion and uneasiness be removed.

This would preserve the national prestige of Japan, and accelerate the tendency to formulate (continue?) the alliance; besides which it would have a tremendous effect upon the future of Japanese-American friendship.

As for the steps to be taken, I desire that either Your Excellency or the prime minister make immediate announcement of the above (if possible at some formal gathering) and that this be published in the newspapers, at the same time having copies sent to British and American representatives in Tokyo.

I consider this matter very pressing. Therefore, will you pardon me when, for your convenience, I forward in cablegram No. 349 (Note. Not yet received) the proposed wording for the declaration?

opposed
Tokyo-Washington, No. 256.
Washington-London, No. 181.
~~Tokyo-London~~

June 24, 1921.
June 25, 1921.

With regard to the Anglo-Japanese alliance, you are aware from our cable correspondence with the Ambassador at London which has been transmitted to you, and from other sources, that, with the approach of the date set in the British and Japanese joint communication of July 1920 to the League of Nations and with the assembling of the British dominions conference, public opinion at home and abroad is gradually becoming more strained.

Besides the opposition of the labor party factions in Great Britain itself, the colonial statesmen, etc., are continuing to emphasize the necessity that the new alliance shall be satisfactory to the United States. On the other hand, America fears that in case of a Japanese-American war, Great Britain would join in, and in case of a British-American war on the Irish question, Japan would join in, and American opinion on this question has lately been becoming gradually more sensitive. Again, China, at the instigation of schemers, is gradually stirring up a disposition of hostility to the alliance by essays and speeches, by cabling American and other

Foreign legislative bodies, etc., alleging that the alliance is a threat to the sovereignty of China and will ultimately encourage a Japanese policy of aggression.

You are already aware of this.

In view of this, the idea has arisen of excluding the United States from the scope of the alliance, and we have taken every occasion to approve this, as is plain from my speech in the last diet, from Ambassador Hayashi's declarations, etc. At that time naturally this was not especially done with the purpose of mollifying any opposition which might exist in the United States. The time was not then ripe, and there was no indication of the growth of a special opposition.

In view of the present situation it is now considered proper to express in some way the attitude of the Japanese government, and on the one hand make plain our friendly spirit toward America and at the same time on the other hand thwart the above-mentioned Chinese opposition. It is therefore desired that you shall take the earliest favorable opportunity to make the actual situation clear by a carefully considered speech, newspaper interview or other form of announcement along the lines indicated below. Please cable the contents of your speech or interview as it is desired to use it for propaganda in Chinese quarters.

1. Japan does not even dream (Note. Word doubtful) of a war with America and does not imagine any case in which the British alliance could result in an estrangement of her close relations with America. In case, therefore, the Anglo-Japanese alliance in any form is hereafter renewed, Japan will not hesitate to declare explicitly that it is not aimed at the United States, and there is no room for doubt that the United States is excluded from the scope of the alliance.

2. Japan preeminently is eager for the splendid development of China, and perfectly understands that a so-called aggressive policy would

be harmful to Japan as well. The renewal of the alliance has the purpose of guaranteeing the tranquility of the Far East and thus of establishing the permanent peace of the world. Even if the alliance is revised this year, there will be no change in this purpose and confidence is felt that [Ed. Note. Possibly, there will be a strengthening of the friendship, not only] of Great Britain and Japan alone but likewise with America, and the other interested Powers. Chinese or other disapproval is merely an empty fear.

With regard to the relation of the Anglo-Japanese agreement to the United States, you may quote (1) the statement of Ambassador Hayashi published in The London Times early in January of this year, (2) the speeches of the British authorities in parliament reported in cablegram No. 264 from the Ambassador at London to the minister of foreign affairs, and (3) my speech in the diet reported in my cablegram No. 80 to the Ambassador at London.

(Asare) — Washington-Tokyo, No. 357.

June 24, 1921.

As to your cablegram No. 256 just received, an announcement made by me here would, I think, have little result compared with an announcement by Your Excellency or the prime minister, as recommended in my cablegram No. 348. I therefore beg you to consider having the announcement made in the following manner:

1. In Tokyo the gist of your cablegram No. 256 shall be announced by Your Excellency or the prime minister; but the English text shall not be cabled to America by the Kōkusai Press or the Associated Press, but they shall be made to send a cable stating merely that the English text can be had at this embassy.

2. When this embassy gives out to the newspapers the English text of the above Tokyo announcement, there shall be given, as a supplementary explanation, a statement describing in detail how, throughout the history of the alliance, America has been entirely outside the aims of the alliance;

and how unreasonable are the counter arguments on the part of China.

The above is a rather complicated method, but after careful study I have come to the conclusion that it will serve the purpose of making an effective announcement in this country.

I again heartily recommend this to you for immediate adoption.

(aface) — Tokyo-Washington, No. 240.

June 27, 1921.

~~Very confidential~~

Referring to your cablegram Nos. 348 and 349, very careful consideration has been given to your suggestions. At some future time circumstances may develop which may make it necessary to make, as you suggest, a declaration in the name of the premier or in my name, but to do this at the present time would excite public opinion within Japan to no purpose and the present is not considered a suitable time. It is desired to avoid giving the impression that we wish to influence the deliberations of the dominions conference now in session. The aim at present is to make our views plain, and you will therefore proceed in accordance with our cablegram No. 256.

(aface) — Washington-Tokyo, No. 364.
Washington-London, No. 190.

June 30, 1921.
June 30, 1921.

~~Very secret~~

At an interview with the secretary of state on the thirtieth ~~inst~~ I said that of late various comments were being made on the Anglo-Japanese alliance, and inquiries were coming in from the newspapers. I had therefore as a reply to these inquiries prepared an explanation for publication in all the newspapers.

I handed the secretary a draft of accompanying cablegram No. ³⁶⁵ ~~364~~ ^{tr} ~~(English text is JE code)~~, saying that I wished to know his candid opinion beforehand as to whether he had any objection to the publication.

Hughes at once read it through, and replied that although he was not in a position to give a definite opinion on the subject-matter of this explanation, since I was favorable to it (Note. Text here garbled, but

translation seems correct), he had absolutely no objection.

In order to bring this explanation to the attention of all newspapers it is expedient to wait until the coming Monday, July 4. Therefore it is my plan to give copies of the text to the principal newspapers and correspondents on July 1 with the stipulation that they do not publish it until July 4. Therefore, if it is your idea also to publish this matter, I beg that it be postponed until July 4.

Also, in the publication it might perhaps cause embarrassment to the secretary of state if the fact were divulged that he stated he had no objection to it. I therefore wish to keep this strictly secret.

(space)
W. W. Yen, the Chinese foreign minister, was very much opposed to the renewal of the alliance and was suspected by Sir. Beilby F. Alston, British minister to Peking, as being the prime mover of the opposition against the alliance. Torkicki Obata, Japanese minister at Peking, reports the state of affairs in a very interesting cable.

(space)
Peking-Tokyo, No. ?

July ?, 1921.

Tokyo-London, No. 426.

July ?, 1921.

London-Washington, No. 236.

July 11, 1921.

I asked the British minister on June 24 regarding the movement of opposition to the renewal of the alliance.

Alston replied that this movement did seem to be systematic, but there was no definite proof of this. However, the head of the Chinese foreign office at each meeting did not fail to ask for a report on the Anglo-Japanese alliance.

Alston said that a recent publication in a Peking paper had it that Curzon had interviewed Ku Wei Chun and had set forth the necessity of con-

tinuing the alliance. He (Alston) had immediately sent a cable about this to his home government, and had found that not even once had the question of the alliance been so discussed. Curzon had at once invited Ku Wei Chun to call and had questioned him, but the latter declared he had sent no such cable. Alston said he then faced^{Yen}/and as much as confronted him with the question "why had he had this matter published?". After saying he feared Yen was the prime mover in this opposition movement, Alston added that there were some among the British in China who were opposed to the alliance, but these did not understand the situation.

I said I had heard that there was a propagandist agency within the personnel of the American legation.

Alston replied that it was a confidential matter, but he too had heard the same. Such movements, however, were not found in the British legation. He said also that Yen was persistently trying to find out the views of the British government regarding the alliance, and he always gave answer that he knew nothing about it. One time he told Yen that personally he thought the alliance would be renewed. Yen had turned pale, and asked if that was so; whereupon he had asked in return whether Yen was not seeking a personal opinion only. Yen retorted with some rude words to the effect that this would be injurious to Great Britain's interests in China.

(apex)

Unexpectedly the British assented to the Japanese views for renewal of the alliance, specifically that the notification to the League did not constitute an official denunciation, that therefore the alliance would continue automatically until formally denounced, and that only negotiations for revision need be considered in due time. Just what had happened to make the British legal authorities reverse their stand? "Weale" said that this was done by Lloyd George, who had the Lord

Chancellor, Frederick Edwin, Lord Birkenhead, reverse the previous decision of Sir Gordon Hewart and Sir Earnest Pollock that a formal denunciation had been made. This, and a general Pacific conference according to Weale^(Plut), was his escape from the dilemma of not being able to put over an immediate unanimous decision.

Hayashi recorded as follows the complete reversal of England's legal position before the Dominions' conference on June 30.

(Ap-o-ee)

London-Tokyo, No. 802.

July 1, 1921.

London-Washington, No. 282.

July 2, 1921-

The newspapers of today, the first, report that on June 30 the Cabinet discussed the question of the renewal of the Anglo-Japanese alliance and the dominions conference continued its discussion from the preceding day. The Indian representative is said to have argued in favor of the renewal, and the Lord Chancellor explained that from a legal point of view the joint communication of last year to the League ^(of) Nations could not be construed th as the announcement of an intention to denounce the alliance and that the provisions of Article ^{VIII} of the agreement must naturally remain in force for another year.

Whether this is a true report of the views of the Lord Chancellor is a question, but I am informed by a secret informant whose reports deserve consideration that the cabinet, in view of the service which the alliance had for twenty years rendered to the peace of the Far East and the importance of the protection which it had afforded to British interests, unanimously favored the renewal of the alliance, and that the dominion premiers except Meighen had expressed their approval of the renewal; but that the British statesmen and the dominion premiers alike felt that it was necessary to have in some form a

thorough understanding with America before renewing the treaty of alliance. Soundings at Wahington had therefore recently been taken through Ambassador Geddes. It was said that this had resulted in an understanding of the attitude of the American government, but, although much interest was shown in British government circles, it had not yet been possible to ascertain the substance of the negotiations with America.

My informant said that under these circumstances on June 30 a policy in regard to the renewal had been decided on so far as concerned the dominions conference and the discussion had absolutely been concluded. He presumed that Lloyd-George would take an early opportunity next week to make an announcement on the matter to the house of commons. The reason for keeping entire secrecy about the course of these discussions was the fear that the frank speeches might cause false rumors and misunderstanding in American quarters.

For your information.

At this moment I have just received an invitation from the minister of foreign affairs for an interview July 4. Judging by this, I think that the reports of my secret informant may largely be correct.

(space)

Official notification of the English government's change of heart reached Hayashi on July 2 with a new draft for communication to the League of progress of negotiations.

These he sent on to Tokyo.

(space)

London-Tokyo, No. 803.

July 7, 1921.

London-Washington, No. 285.

July 3, 1921.

~~London-Tokyo, No. 803~~
~~London-Washington, No. 285~~

~~London-Tokyo, No. 803~~
~~London-Washington, No. 285~~

~~Very confidential~~

Lord Curzon, at 2:05 in the afternoon of the second, sent me an urgent autograph letter. He informed me that the British government had given special consideration to the interpretation of the joint communication made to the League of Nations by both the Japanese and British governments on the eighth of July of last year. After studying the views of the Japanese government regarding the denunciation of the Anglo-Japanese alliance, he declared that he no longer considered tenable the former contention made by the British government, and, in view of this new development in the situation, had presented a new draft for a communication to the League of Nations.

Lord Curzon's letter and the new draft are contained in telegrams Nos. 804 and 805. Since this matter of the new draft comes within the scope of my instructions from the Japanese government, I shall take pleasure in expressing assent to the above proposal. I am telegraphing the preceeding to our Ambassadors in Paris and Washington.

3. I therefore hasten to enclose revised draft of the further notification to the League of Nations, recast so as to meet the altered circumstances of the case.

(space) London - Tokyo, No. 804.
London - Washington, No. 284.

July 27, 1921.
July 3, 1921.

Following is the text of Lord Curzon's note to me of July 2.

Since the despatch of Your Excellency of June 27 respecting the date of termination of the Anglo-Japanese agreement of July 13, 1911, His Majesty's government have been giving renewed consideration to the question of the interpretation to be placed in the joint notification addressed to the League of Nations by our two governments on July 8, 1920. (C)

They recognize that the matters referred to are by no means free from difficulty (C) they have given full consideration to the view expressed by the Japanese government in opposition to that held by them, and are

no longer prepared to insist on their original interpretation when made so clearly aware that the Japanese government, in agreeing to the joint notification to the League of July 8, 1920, had no intention of denouncing the agreement under the terms of Article ^{VI}~~6~~ thereof.

(space)

The Ambassador to London summarized the right-about-face of the British government as it appeared in the press and added that he conjectured this to be brought about by a lack of a unanimous decision in the conference of ministers.

(space)

London-Tokyo, No. 806.

July 2?, 1921.

London-Washington, No. 286.

July 3, 1921-

~~Very confidential.~~

Two or three newspapers have articles which indicate that from some source they have been informed that the British government has assented to the views of the Japanese government. It appears that the articles must derive from government sources and I summarize them for your information as follows:

The law officials of the crown had maintained that the joint communication of last July to the League of Nations had the character of a denunciation of the alliance agreement. The foreign minister did not agree with this construction, but in view of the legal advice it was necessary to propose a three months prolongation of the alliance to give the necessary time for negotiations. The views of the legal advisers were therefore communicated to the Japanese government, but the latter persisted in its view that the joint communication did not constitute a denunciation of the alliance. The Lord Chancellor then decided in accordance with the original view of the foreign minister that in the absence of a formal denunciation, the alliance automatically

continued and that even in case a purpose of denouncing the agreement on July 13 were immediately notified to the Japanese government, the alliance would automatically continue for a year, etc.

I should conjecture that when the conference of dominion premiers came to discuss the renewal of the alliance, it was hard to come to any definite decision or to agree unanimously in favor of the continuation of the alliance, and the British government authorities, being unable in this situation to carry the continuation of the alliance, yielded to the interpretation of the Japanese government in the hope that the views of the various officials would gradually become harmonized and that a definite decision could be postponed by the automatic continuation of the alliance.

In any event I shall shortly have a talk with Lord Curzon and shall immediately cable the indications.

(space)

Hayashi was only too happy to agree on the text of a new note to the League of Nations announcing the prolonging of negotiations on the renewal of the alliance.

London-Tokyo, No. 809.

July 4, 1921.

London-Washington, No. 287.

July 4, 1921.

On July 4 I sent the following note to the British minister of foreign affairs: ~~(Note. Text in in JE English language code.)~~

I have the honour to acknowledge the receipt of Your Lordship's note of the second, ~~instant~~ regarding the interpretation of the joint notification addressed to the League of Nations by our two governments on July 8, 1920, and to state that I have communicated its contents to my government.

I am glad to note that the views of the two governments on the question are now quite similar, and I am sure that my government will

approve my agreeing in their name to the proposed form of further notification to the League of Nations - copy of which Your Lordship was good enough to enclose with the above note. I am therefore ready to sign the joint notification with you at your convenience.

(space)

Tokyo gave ready consent to the acceptance of the new joint communication planned by Curzon for the League.

(space)

Tokyo-London, No. 414.

July 5, 1921.

London-Washington, No. 291.

July 5, 1921.

1. You may formally inform the British government that the Japanese government has no objection to the draft of the joint communication given in your cablegram No. 805 (Note. Not available).

2. As we must notify the privy council of this joint communication, please inform us as soon as possible of the sending of the communication and of its date.

(space)

It was when Hayashi called on Curzon on July 4 at the latter's request concerning the sudden reversal of the British government's decision as to the denunciation of the alliance that the first suggestion of a conference on Pacific affairs was made, as we saw above in Chapter 1. Certain passages of that cable, No. 813, are quoted below.

(space)

London-Tokyo, No. 813.

July 4, 1921.

London-Washington, No. 289,

July 5, 1921.

... Lord Curzon first explained his note of July 2. He thought that the joint communication of last July to the League of Nations was not to be

considered as constituting in itself notice of the denunciation of the agreement of alliance. He had consulted the law officers of the crown (the solicitor general and the attorney general) and they had united in the contrary opinion. Since the opening of the dominions conference, circumstances had arisen which made it hard to get ahead with the discussion and he had again consulted the Lord Chancellor and had explained the points brought up by the two governments. The Lord Chancellor had given an opinion that the joint notification of July 1920 was not sufficient to meet the express stipulation of ~~the~~ agreement that the alliance should continue as long as neither country gave notice of its denunciation, and added that as there were also strong political objections to this view that the latter also demanded consideration. This opinion was the occasion of Lord Curzon's note of July 2.

It followed that there need be no haste in solving the question of renewing the alliance. After July 13 the alliance would continue in force as before, within the limits of the spirit of the covenant of the League of Nations. In view of this circumstance, the British government hoped to make a study of the various questions of the moment. If he might speak frankly, there had been an entire change in the circumstances of the alliance. Anxiety (?) was no longer felt about India.

(apace)

Meanwhile Parliament was beginning to ask embarrassing questions of Lloyd George about the alliance. On July 7 he promised to tell all in four days, pending receipt of replies from America, Japan and China as to a conference on Pacific questions. ^(tent)
(See No. 304, Chapter 1) When this information appeared in Washington, Hughes again promptly denied that the American government had been asked to confer or was considering such a proposition.

Curzon, instructed by the Prime minister, had sounded out the American and Japanese ambassadors and the Chinese minister as to a possible conference, but presented no concrete proposal. Therefore Hughes rejected it. "Weale" asserts in his Indiscreet Chronicle of the Pacific that, after the Lloyd George announcement of July 7, Harding and Hughes worked out a plan for their own conference in one day and sent out the informal queries to their ambassadors in the five countries late Saturday night July 9, 1921.

We know from Chapter 2 that Lloyd George accepted the invitation offered by Colonel George Harvey on July 10 with alacrity for a joint contemporaneous conference on arms limitation and Pacific questions. Yet the next day when he reported it to Parliament, he announced the invitation as calling for a preliminary meeting on Pacific and Far Eastern questions. "Weale" believed that if Curzon and Lloyd George had seized this opportunity to denounce formally the Anglo-Japanese alliance, America might have granted the English their preliminary conference.

Who knows?

#

Part III.

Four Power Pacific Treaty.

Chapter 9.

Three's A Crowd.

In the last chapter we heard the world wide rumpus over whether the Anglo-Japanese alliance would be renewed or not and looked behind the scenes to see Lloyd-George's futile efforts to get the dominion premiers to agree for a unanimous renewal and his sudden grasping at the Japanese interpretation of the matter of the announcement of revision to the League of Nations the previous year to save his face in an embarrassing situation.

Now we are ready to trace the origins of the idea of an enlarged alliance which finally resulted in the famous Four Power Pacific treaty;— a treaty conceived in the utmost secrecy, in such secrecy that even certain members of the American delegation asserted in the senate that they did not know where the idea came from, nor who wrote the treaty, one which caused more trouble in ratification for that reason than any of the others; one which was not on the agenda and hence not anticipated; one which was welcomed suspiciously by the senate, one which was hidden completely from the public and the press by the American delegation in spite of rumors acknowledged in part at other headquarters; one for which there were

absolutely no records of negotiation. A little later we will see the Japanese account of those negotiations and learn causes not even hinted at in the excellent work on The Washington Conference and After by Yamoto Ichihashi, secretary to Baron Kato himself, though he reveals something of the privy conferences of the "big three" in which the treaty was born.

The Anglo-Japanese alliance was enlarged to include America at the desire of England and to include France at the behest of America. Both England and Japan preferred the new agreement to be a three power alliance. Brigadier-General Charles Sherrill, former minister to Argentina, on August 16, 1920 in London favored such an alliance after ten months in Japan and the idea spread. He believed the alliance would not be renewed in its present form because of the opposition in Canada and Australia which were the strongest, most influential units in the British Empire and their ^{new} ~~view~~ coincided with ^{that of} ~~the~~ Pacific states. Japanese statesmen, he said, thought the true solution a triangular agreement or entente for the control of the Pacific. General Jan Smuts, senator in the South African parliament, suggested it the following May and The London Daily Chronicle took up the idea on May 22 and referred again to it on July 1. Moreover, the idea was not entirely unwelcome to certain men in Japanese public life.

In June and July 1921 a party of men from the Japanese diet visited America.

One of these, R. Nakanishi, while in New York June 23 urged the union of the three powers ⑥

Despatches from England August 7 and 9 asserted that this three cornered affair was being contemplated by England as a substitute for the now burdensome alliance. Even Lloyd George himself on August 18 urged the three powers to join with China for a Pacific alliance. This thing had been brewing for almost a month in British government minds.

As we saw in ~~the~~ Chapter ²₁ Tokyo feared that the conference would destroy the value of the Anglo-Japanese alliance. ^(that) _{No.} (See 436, July 15, ibid. page 291) and Lord Curzon had given as one of the reasons for a preliminary conference in London his strong desire to discuss an agreement with other countries interested in preserving peace in the Pacific, to replace the Anglo-Japanese alliance ^{2 (that)} (See No. 884 July 23, ibid., page 295.) Though Hayashi told his government of these new possible peace-guaranty agreements parallel to the old alliance, he thought them rather spur-of-the-moment ideas and did not attach much importance to them. Later when the Imperial conference discussed the desirability of a three cornered alliance, Shidehara was sure that the proposal for peace-guaranty-agreements similar to the old alliance was just a feeler.

(space)

Washington-Tokyo, No. 483✓

August 6, 1921,

The statement of the progress of the British Empire conference which was published by the British government was cabled from London August 5 by the Associated Press. In it is the passage given in the accompanying cablegram No. 484 (Note. In plain English text, as follows: "In acc-

ordance with suggestion which was believed to have been made by American government that conference on disarmament should be preceded by friendly conversations or consultations between powers principally concerned in future of Far East and Pacific, says summary, Imperial conference anxious that for Anglo-Japanese agreement there should be substituted some larger arrangement between three great powers concerned, namely, United States, Japan and Great Britain, and, holding firm conviction that later discussions on ^Sdisarmament to which they attached transcendent importance could best be made effective by previous mutual understanding on Pacific questions between those powers, discussed these preliminary conversations or consultations which American government had in principle agree^d should be held in London.")

According to this it would appear that the principal purpose of the British government in having the conference was not in order to conclude agreements parallel to the Anglo-Japanese alliance, but in order to secure a wider agreement between Japan, Great Britain and the United States.

(opere)

Tokyo was puzzled over Curzon's shilly-shallying, first working seemingly for the renewal of the alliance; then suggesting replacing it with similar peace guaranty agreements, and finally coming out with the dominion premiers for a wider agreement with America. There was evidently an inconsistency somewhere if Hayashi had reported everything completely and accurately. Uchida ordered Hayashi, London ambassador who was in Paris to attend a meeting of the supreme council in August, to see Curzon and clear up matters. About the same time the British ambassador at Tokyo, Sir Charles Eliot, called on Uchida to present his government's account of interviews with Hayashi and ^{the} general progress of the preparations for America's conference.

Tokyo-Paris, No. 745.

August 1, 1921.

Paris-Washington, No. 300.

August 16, 1921.

~~Tokyo-Paris, No. 747~~

~~August 1, 1921~~

~~Paris-Washington, No. 297~~

~~August 16, 1921~~

~~Tokyo-Paris, No. 748~~

~~August 1, 1921~~

~~Paris-Washington, No. 301~~

~~August 16, 1921~~

~~Tokyo-Paris, No. 745~~

~~Very confidential.~~

To Ambassador Hayashi.

In the British announcement of the proceedings of the dominions conference given in your cablegram No. 920 there is a passage to the effect that it was hoped to change the Anglo-Japanese alliance into an understanding ^{among} ~~between~~ Great Britain, Japan and America. This does not appear to be consistent with earlier declarations of Lord Curzon.

When Lord Curzon first proposed a Pacific conference, he took the tone that its principal purpose was to eliminate American and Chinese opposition to the renewal of the Anglo-Japanese alliance, but declared expressly that he wished Japan and Great Britain to continue as allies (your cablegram No. 813 ~~MA~~). In his interview with you on July 23 he said that the chief purpose of the British government in first calling the conference was ^{to} form agreements guaranteeing the future peace of the Pacific and parallel ^{ing} ~~to~~ the Anglo-Japanese alliance among the powers having important positions in the Pacific (your cablegram No. 884). Judging also by your other successive cablegrams, it appears doubtful whether Great Britain has a secret design of concluding some agreement at the Pacific conference which will replace the Anglo-Japanese alliance.

Please report whether you have actually observed any signs that

the British government is working to find points for an understanding with America which would affect the existence of the Anglo-Japanese alliance. If the attitude of the British government is that given in the announcement about the dominions conference, and a proposal in regard to a triple agreement among Great Britain, Japan and America is to be received from the British government, the Japanese government would not necessarily reject it, but, if the purpose is to replace the Anglo-Japanese alliance, the Japanese government would like to be informed of this and to take it under consideration.

(Note. The rest of the message, which was sent as section 2, is fragmentary, with long omissions and general garbling. Apparently the ambassador is instructed to see Lord Curzon and discuss the apparent inconsistencies noted above, telling him that it is not the purpose to interpose objections to the proposal suggested in the dominions conference announcement, but it is desired to make clear certain points about the future of the Anglo-Japanese alliance. Reference is made to J-4559 and this is apparently followed by a direct statement that Lord Curzon's attitude is lacking in sincerity. Reference is made to the extreme attitude of Great Britain with regard to informal conversations and apparently to a failure to report all the facts on which a report had been expected. Reference is made to an interview of a ^{de}counselor of embassy with Lord Curzon, and the ambassador is apparently instructed to talk with the ^{de}counselor if opportunity affords. Finally reference is made to another passage in the dominions conference announcement which, it is thought, might have some relation to a plan to have Europe control the Atlantic and leave the Pacific to the jurisdiction of America. All this is to be taken up with the British authorities.)

Tokyo-Paris, No. 747. ~~(Urgent)~~.

Paris-Washington, No. 297.

Urgent, (Note. Text somewhat garbled and doubtful.)

August 7, 1921.

August 14, 1921.

~~Very confidential~~

After we had sent our cablegram No. 745, Eliot called on me on the afternoon of the same day and delivered me the note given in the accompanying cablegram No. 748 containing the substance of conversations between Lord Curzon and the/ambassador. This note seems to make a change in the situation, and you may postpone execution of our cablegram No. 745. There are several differences of circumstances, and it is possible that you did not at the time of your several interviews report all the circumstances to us. Please compare the accompanying cablegram with your facts and advise us your views.

Tokyo-Paris No. 748. {Urgent.}
~~Paris-Washington~~
Paris-Washington, No. 301.

August 7, 1921.
August 16, 1921.

(Note. The text is so garbled and full of long omissions that it can only be paraphrased on a basis of possible meaning.) *tr*

Lord Curzon asked Ambassador Hayashi to call on July 23 and set forth the views of the British Government as follows:

You are familiar with the question of the validity of the Anglo-Japanese alliance and the reasons which have led to its prolongation. The British government [Ed. Note. Possibly, after] twenty years of service ... [Ed. Note. Possibly, policing the seas now] hopes [Ed. Note. Possibly, to renew] or to replace it [Ed. Note. Possibly, with peace guaranty agreements paralleling the Anglo-Japanese alliance or a wider agreement.]. The British government thoroughly understands the good faith with which the Japanese statesmen have executed the above mentioned duties.

1. Great Britain attached great importance to peace in the Pacific and would be much injured if there should be any future collision between Japan and America. Great Britain wished absolutely to avoid this. Much opposition to the Anglo-Japanese alliance was being expressed in America, in China, in Canada, etc., and the British could not entirely ignore this. By giving thought and attention to this point, ~~it was~~ ~~thought and attention to this point~~, it was thought that the peace of

the Pacific could be perpetuated.

(space)

The Japanese ambassador to London believed that England was sincere in her wish to enlarge the alliance rather than to exterminate it. He thought, rather, that the Imperial conference had forced Curzon's hand prematurely, - certainly a broad minded view for one of a nation constantly accused of suspicion and intrigue.

(space)

London-Tokyo, No. 956.

August ?, 1921.

London-Washington, No. 375.

August 18, 1921.

~~London-Tokyo, No. 956~~
~~August 18, 1921~~

Referring to your cablegram Nos. 745 to 748.

1. The report given in your cablegram No. 748 of the summary of my conversations with Lord Curzon communicated to you by the British Ambassador at Tokyo has no points of discrepancy with the spirit of numerous conversations which I have had with Lord Curzon.

2. I think that it is very natural that the feelings of the Japanese government should be hurt that, when the British government proposed the conference, it took no special account beforehand of its ally, Japan, but opened conversations on the matter with America and China practically at the same time as with Japan. In regard to this point, however, in the first place, the British Imperial Premiers Conference decided to have this conference and to include America and China, and the British government was in the position of being bound by their decision and could not get around it. In the second place, although the interval was extremely short, they did first consult me. This fact must be given consideration, and some sympathy for the position of Great Britain must be felt.

3. In regard also to the point of the passage in the report of the dominions conference in which it is stated that it is hoped at the Pacific conference to substitute a triple arrangement among Great Britain, Japan and America for the Anglo-Japanese Alliance, in the first place, if the British wished to abrogate the alliance, they would have to take special account of Japan. In the second place, the wording indicates that if the British could get something in addition to the alliance but which could not be substituted for the alliance, the alliance agreement remains effective. It is not fair to believe from this wording that the British proposed this conference originally with the purpose of destroying the alliance.

In short I think that it is proper for the Japanese government to interpret the intentions of the British government with regard to the foregoing various points in good faith, and not to call them into question.

(space)

What Hayashi thought after Lloyd George made his plea for a broad understanding between Japan, Great Britain and the United States is not known, but Shidehara informed Uchida of Hughes' statement when questioned the next day.

(space)

Washington-Tokyo, No. 547.

August 20, 1921.

On the nineteenth, the secretary of state replied to questions of newspaper correspondents regarding the statement made by Lloyd^d George in the British parliament on the eighteenth that if a broad understanding between Japan, Great Britain and the United States could be substituted for the Anglo-Japanese alliance, the peace of the world would be guaranteed.

The secretary said everybody was familiar with the traditional policy of the United States of not entering into alliances. He added that it was the hope of the United States government that in order to eliminate the causes of international discord, an understanding would be reached among the various nations as to the general principles governing Pacific problems and

their applications. The secretary apparently avoided stating explicitly whether he meant that such a simple understanding, not having the nature of a treaty alliance, should be confined to Japan, Great Britain and the United States or whether, as well as being a specific understanding applying only to certain countries, it should also be made universal.

Here

Several newspapers have published recently the opinion of the American authorities regarding this speech of the British premier and it is my opinion that they have elaborated according to their own ideas upon the simple statement of the secretary of state mentioned above.

(space)

Lord Northcliff owner and publisher of The London Times and The London Daily Mail was strongly opposed to the alliance and while traveling in Japan and China spoke constantly against it as a bar to settlement of the Pacific question, as a thing that had outlived its usefulness and said that in advent of a war between America and Japan, England, far from assisting her ally, would even offer Singapore to America as a naval base in the Pacific.

Hayashi expressed himself in no uncertain terms about these incendiary speeches that found their way back to London and The Times and stressed again the importance of continuing the Anglo-Japanese alliance with the United States as a third member.

(space)

London-Tokyo, No. 1127.

October 27, 1921-

London-Washington, No. 434.

October 27, 1921.

~~London-Tokyo, No. 1127.~~
~~Tokyo-Washington, No. 434.~~

~~London-Tokyo, No. 1127.~~
~~Tokyo-Washington, No. 434.~~

~~London-Tokyo, No. 1127.~~

(Note. Text is extremely garbled and difficult.)

~~Very Confidential~~

Referring to the quotation from Lord Northcliffe in my cablegram No. 1124, at the present time British relations are chaotic and unsettled, and especially the abolition of the existing Anglo-Japanese alliance would not only inevitably lead to new complications in international relations, but it is clear that Japan could hardly behold with patience if Great Britain and America should cooperate to control China, as suggested by the remarks of Lord Northcliffe, to the exclusion of Japan which already has a firm footing in China and which, from geographical considerations, knowledge of China and other regards, cannot be spared from participation in the maintenance of order in China.

Lord Northcliffe advocated the abolition of the Anglo-Japanese alliance for the reason that it irritates the American government and people. In the first place, the Anglo-Japanese alliance, from its inception to the present time, has never directly or indirectly harmed America. The present agreement of alliance is drawn to exclude the United States from its application. There are people who argue, as Lord Northcliffe is reported to have done, that the continuance of the treaty is an unfriendly threat to the United States, but it would be the idle dream of a fool not to imagine that behind this argument there is the hope of attaining the purpose of abolishing the Anglo-Japanese alliance, and producing an alienation between Great Britain and Japan.

Lord Northcliffe also said that the alliance could not be of assistance for the present chaotic state of China. If China has hitherto escaped foreign aggression, this fact is directly due to the alliance. If the unification of China were seriously contemplated, there are prospects that the alliance would be of assistance in spite of the present chaotic conditions.

Lord Northcliffe said that the feeling that there might be trouble between Japan and America had become very pronounced among Americans. Any man, even without any specialized knowledge of the facts so long as he has a little

common sense, knows that such a war is impossible. It is not a fact that there are any extraordinarily important conflicts of interest between Japan and the United States. On the contrary, under present conditions there are a number of facts which may be said to show that Japan and the United States may [Ed. Note. Possibly, cooperate] splendidly in China. Speaking frankly, it might be most convenient if Japan could use American money in China in industrial, commercial and other connections, employ American raw materials, and in other ways work in concord with America. Under the circumstances of today, we should not abolish the existing alliance and thereby alter the status quo and bring on further international complications, but we should continue the alliance, induce the United States also to cooperate and thus hope to promote the peace and prosperity of China.

Lord Northcliffe will visit you shortly. If he should cause harm to the influence of Japan in the Far East, and cause a future estrangement between Japan and Great Britain, it would not be to the advantage of Great Britain itself, and it is therefore regrettable that he should take an attitude of bringing about such an estrangement. I fervently hope that when he comes to Japan he will be given an unreserved and thorough explanation of these matters and interests.

(space) ^y
Peking-Tokyo No. 735,
~~Tokyo-Washington~~
Tokyo-Washington, No. 676,
Lord Northcliffe during his visit to Japan became familiar with its

November 18, 1921.
November 19, 1921.

Lord Northcliffe during his visit to Japan became familiar with its natural features and civilization and may be considered to have left Japan with generally favorable impressions. This is clear judging even by the way he is said to have spoken in conversation with more than one man here. At a social gathering which I attended on the seventeenth, however, the assistant manager of the Kaki Bank told me that in a speech before the Anglo-American Association, Lord Northcliffe had said that in case of a war between the United States and Japan, Great Britain should offer the United States Singapore as a naval base, and had given all those present the impression that he was "anti-Japanese".

I have not yet verified this from any other source, but cable it for your information just as I heard it.

(space)

By November 1, the Jiji Shimpō was promoting the idea of a three power alliance, and threatened that if nothing definite were accomplished in the matter of disarmament, it would be absolutely necessary to continue the two power agreement. The Daily Chronicle in London was saying that England could not give up the alliance lightly. There were even hints of a three power agreement from Henry Cabot Lodge, member of the American delegation to the Washington conference, November 16, though none of these were apparently taken to heart by Americans.

Five days later conversations between Hughes and Arthur J. Balfour, president of the privy council and head of the English delegation were said to be under way concerning this absorbing topic. November 21, there appeared an article in The New York Times asserting that the British needed a renewal of the alliance at all costs. The next day Representative George Holden Tinkham of Massachusetts had the temerity to introduce a resolution into the house abolishing the Anglo-Japanese agreement. This only led New Zealand and Australia to uphold it. Even Lord Curzon continued to sing its praises to Hayashi. (Ftnt) (See No. 1204, November 24, ibid. Page 311-12).

Both England and Japan prepared preliminary drafts of a three power agreement for discussion. Coming over on the boat, Balfour drew up that of the British delegation and presented it to Hughes on the opening day of the conference. England had the jump on Japan. Hughes was occupied just then with the naval ratio and postponed any comment

on it. Sometime between November 12 and November 20 Balfour presented his draft to the Japanese who responded at once to the idea. In order to show their agreeableness to the idea Ambassador Shidehara and Baron Kato hastily jotted down their own ideas for a counter proposal and sent them around to Balfour by Sadao Saburi, coun⁹²^llor of the Washington embassy, November 26. Balfour glanced through them and appended a few changes. Shortly afterwards, both the original Japanese suggestion and the amendments were presented to Hughes, who promised to study them carefully over Sunday. This message with Baron Shidehara's draft and Balfour's proposed amendments follow:

Washington-Tokyo, Conference No. 93.

November 26, 1921.

~~Washington-Tokyo, Conference No. 94~~

~~November 26, 1921~~

~~Washington-Tokyo, Conference No. 95~~

~~November 26, 1921~~

~~Tokyo Conference No. 93~~

Referring to your conference cablegram No. 66 (Note. Reference is erroneous and message in question not found), in view of the general trend of affairs and the apparent situation we considered it urgently necessary to show the British without delay that we also had no objection to negotiating a tripartite agreement to take the place of the Anglo-Japanese alliance. We therefore hastily drew up the text given in accompanying cablegram No. 94 as the personal proposal of Ambassador Shidehara, and on November 21 we instructed Counsellor Saburi to arrange to call first on Mr.

Balfour and then on Mr. Hughes and to hand it to them respectively.

We succeeded in having the text handed to Mr. Balfour with the explanation that this text had been drafted by Ambassador Shidehara after noting the draft of Mr. Balfour and that attention had been paid to a wording which would make it easy for the United States to accept it. It had not been drafted particularly in accordance with instructions of the Government, but it did not conflict with the instructions which had been received to date, and the other plenipotentiary delegates had no objection to it being shown to Mr. Balfour and Mr. Hughes as a personal proposal. The definite views of the government would not be clear until the text had been cabled to it and instructions had been received in reply.

Mr. Balfour replied that he thoroughly understood Ambassador Shidehara's plan was on an identical basis with his own. He immediately proposed the several amendments given in cablegram No. 95, and said that he hoped that the text with these amendments would be presented by us to Mr. Hughes.

As the hour for the interview with Mr. Hughes, however, was already close at hand, and not only was there no time to make a new copy, but it was thought that Mr. Balfour's amendments, being based on ideas which occurred to him offhand, would require reconsideration, it was agreed to hand Mr. Hughes our text and at the same time show him Mr. Balfour's proposed amendments.

A call was then made on the secretary of state and he was given the same explanation as Mr. Balfour, and was handed our proposal with a statement that it would be deeply appreciated if his opinions of the proposal could be learned. At the same time he was shown the Balfour amendments.

Mr. Hughes requested that Mr. Balfour's amendments might be left with him also, and said that as the next day fortunately was Sunday, he would carefully study both documents.

From what Mr. Balfour said, it appears that he handed his proposal to Mr. Hughes immediately after the opening of the conference, but has not

Washington - Tokyo, Conference No. 94.

November 26, 1921.

~~Very confidential.~~

Baron Shidehara's tentative draft of an outline of a tripartite agreement among Japan, the United States of America, and the British Empire.

1. If, in the future, the territorial rights or vital interests of any of the high contracting parties in the regions of the Pacific ocean and of the Far East should be threatened either by the aggressive action of any third power or powers, or by a turn of events which may occur in those regions, the high contracting parties shall communicate with one another fully and frankly, in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.

2. If in the matters affecting regions aforesaid, there should develop between any two of the high contracting parties controversies which are likely to affect the relations of harmonic accord now happily subsisting between them, it shall be open to such contracting parties, in mutual agreement with each other, to invite the other contracting party to a joint conference, to which the whole subject matter will be referred for consideration and adjustment.

3. The present Agreement will supersede the agreement of alliance hitherto in force between Japan and Great Britain.

Washington - Tokyo, Conference No. 95
~~Cablegram No. 94~~

November 26, 1921.

~~Very confidential.~~

Baron Shidehara's tentative draft of an outline of tripartite agreement among Japan, the British Empire, and the United States of America.

1. In regard to the territorial rights of the high contracting parties in the Pacific Ocean and the Far East, it is agreed that if these are threatened by the aggressive action of any third power, the high contracting parties shall communicate with (from here on like paragraph 1 of cablegram No. 94).

2. The high contracting parties further engage to respect these rights as between themselves and if there should develop between any two of them controversies on any matter in the aforementioned region which is likely to affect the relations of harmonious accord now happily subsisting between them, they agree to invite the other contracting party. (From here on like 2 of cablegram No. 94.)

3. Identical with 3 of cablegram No. 94.

(space)

In spite of the quietness with which Balfour and Kato had been conducting their negotiations a Japanese correspondent for the Tokyo Jiji-Shimpo succeeded in getting wind of the affair and cabled his findings home much to the annoyance of the home government.

(space)

Tokyo-Washington, Conference No. 77. November 28, 1921.

The evening edition of the Jiji Shimpo of November 28 published the telegram given below as a cablegram from its Washington correspondent dated November 25. It is feared that the publication of such reports will be injurious to the progress of this matter. You should investigate the origin of this report in the interest of the future, and you will cable your views in regard to means of controlling such leaks.

Plenipotentiary Delegate Kato and Mr. Balfour have reached an understanding on a Japanese-Anglo-American agreement to take the place of the Anglo-Japanese alliance. Informal conversations concerning it are now proceeding with the Americans. The following is said to be a memorandum of them.

1. The three countries will oppose any menace and maintain the status quo in the Far East and the Pacific.

2. If any of the contracting powers shall deviate from this policy, they shall immediately come together and discuss the question severally.

It is said to be under consideration by Hughes and Root.

(space)

The fourth power, France was not invited to sit in the negotiations until December 7 after the treaty was in its final stage. The first suggestion of a four power agreement to replace the Anglo-Japanese alliance mentioned in the secret cablegrams occurred in a copy of the original text of the resolution of the "China Association" in London sent to Lord Curzon prior to June 30 which Hayashi secured and wired to Tokyo. A political consortium admitting China is mentioned.

(space)

London-Tokyo, No. 812.

July 1, 1921.

London-Washington, No. 288.

July 4, 1921.

I have secured a copy of the original text of the resolution of the "China Association" mentioned in the latter part of my cablegram No. 796, and I cable it in "ku" code (~~Not to be~~) as follows:

(space)

My committee have the honour to lay before His Majesty's government certain points which are likely to affect British interests in China and which they respectfully hope will be taken into consideration by Your Excellency when dealing with the question of the renewal or modification of the treaty of alliance between Great Britain and Japan.

The advantages of the alliance to both countries were clearly demonstrated in 1904 and 1914, and in view of the unsettled state of

affairs still prevailing in so large a portion of Asia, we would lay great stress upon the importance of maintaining the cordial relations between ²~~the~~[^] this country and Japan which have existed for so many years.

According to the representations made to us from China, there can be little doubt that a strong feeling has arisen in that country that one at least of the stipulations of the treaty has not been carried out in practice between the [Ed. Note. Possibly, all ³⁰ ~~the~~ ¹⁰ ~~one~~] referred to is that for the preservation of the common interests of all ~~R~~owers in China by ensuring the independence and integrity of the Chinese Empire and the principle of equal opportunities for the commerce and industry of all nations in China.

A concrete case in support of this contention is the Japanese action in Shantung to which my committee called attention in detail on the .. January, 1920. We are informed that the situation there is still unsatisfactory. The Chinese view is that the terms of the treaty have not been conscientiously carried out, and that a renewal of the treaty upon the same terms, after this nonfulfilment, would be tantamount to recognition of the status quo, and could not therefore be looked upon as a friendly act on the part of Great Britain.

It is reported that an important element of public opinion in Japan is inclined to regard the action of their government in Shantung as ill-advised, and, from another point of view, a failure. If, therefore, His Majesty's government could take any steps to bring about a friendly settlement of this question in accordance with the terms of the Anglo-Japanese treaty, we believe their efforts would be appreciated by China and would be welcomed by many in Japan.

In any case my committee hope that His Majesty's government will give consideration to the feeling in China to which we have drawn attention.

Another point about which the Chinese people are somewhat sensitive is

that any agreement affecting their country or their sovereign rights should be concluded by foreign powers, otherwise than in consultation with them.

As regards the situation generally, my Committee is of opinion that Great Britain has no interest in China which is not shared by the dominions, by America, by France and by Japan, as shown by her leading statesmen in public utterances.

It would be idle to deny that there is a powerful party in Japan in favor of a policy in China which is entirely at variance with the spirit of the Anglo-Japanese treaty, but we assume that the settled policy of the Japanese government will conform to the terms of any treaty to which it attaches its signature.

If then the interest of the four great powers in China are identical, if these interests consist as we believe they do, in promoting a reconstructive policy in China, in uniting to carry out in practice the terms of the Anglo-Japanese treaty, in ensuring the independence and integrity of China and the principle of equal opportunities for the commerce and industry of all nations, and further in assisting China to establish a stable government capable of maintaining peace and order within her borders, we are of opinion that a development of the Japanese alliance into an agreement between the four great powers might do much to consolidate and maintain the general interest of the Far East for many years to come.

In the Consortium the four Powers have already come to an agreement regarding some forms of [Ed. Note. Possibly, economic] development of China. My committee respectfully suggest that it is worthy of consideration whether the four Powers could not conclude an agreement constituting a national consortium in which China might be invited to join. We believe that an agreement of this kind might enlist the active sympathy and cooperation of a large and influential portion of the people of China, who would welcome an opportunity of re-establishing the stability of the

country and promoting its prosperity and welfare.

The course indicated would at the same time add to the prosperity of all other nations interested in the Far East and perhaps most of all to the prosperity of our Ally, Japan.

My committee recognize that there are other and wider interests involved in the question of a renewal of the Anglo-Japanese alliance, but they refrain from discussing these aspects of the question, being outside the scope of the activities of their Association.

(space)

Aristide Briand at a dinner at Prince Tokugawa's on November 23, advocated a League of Nations of the Pacific to replace the alliance, including France and others.

(space)

Washington-Tokyo, Conference No. 91.

November 27, 1921.

For your information we cable the following remarks made by Premier Briand to one of our conference staff attachés at a dinner given him by Plenipotentiary Delegate Tokugawa on November 23.

(space)

Since my arrival here I have taken the opportunity for frequent personal conversations with American government officials. These talks left me without an atom of doubt that the American government sincerely wishes to make Japanese-American relations friendly. At the same time I could see clearly that the one great obstacle which the American authorities think they will encounter in continuing and increasing friendly relations between Japan and the United States is the existence of the Anglo-Japanese alliance. I myself always emphasized to the American authorities that it was absolutely necessary to avoid leaving Japan isolated as a result of this conference, and, in case the Anglo-Japanese alliance should be dissolved, a situation which would assure the non-isolation of Japan must be produced

by making an agreement which would replace it. In my humble opinion to replace the alliance a perfect agreement should now be made with the object of establishing something which could even be called a league of nations in the Pacific ocean, beginning first with Great Britain, Japan and the United States and adding France and the other countries which have interests in the Pacific. If such an agreement were made, I am sure the United States will finally consent to it."

Counsellor Saburi and Sir Maurice Hankey had some interesting conversations on the possibility of America's accepting an agreement. When they met Saturday afternoon, November 26, the latter thought America would agree. He also proposed a Pacific branch of the League of Nations, with a main office at Tokyo, including South America and all the countries of the Pacific. When Saburi mentioned Briand's idea for a similar League, Hankey pooh-poohed it as arising out of her own self-importance and gave the impression he would prefer to exclude France.

Monday morning he told Saburi that Lodge and Elihu Root had called on Balfour and were pleased with Shidehara's draft, but they expected ~~it~~ ^{more nations to join}. Yet these gentlemen later told the senate they did not know ^{it} ~~who started more nations to join~~. This meant, he thought, that while the United States did not object to a tripartite agreement, it would be difficult to exclude others who asked to be admitted. Saburi told Hankey that Japan would want only three, that a larger number would make the agreement vague and meaningless. Note that both English and Japanese considered the new three power agreement in the light of an alliance to replace the Anglo-Japanese alliance.

~~Washington-Tokyo, Conference No. 103. November 28, 1921.~~

~~Very secret.~~

After the interview with Hughes described in my conference cablegram No. 93, Saburi had an interview on other business with Hankey, general secretary of the British delegation.

The latter questioned Saburi anxiously concerning the circumstances of his interview with Hughes, and his face lighted up when he heard Hughes had said that he would make a thorough investigation the following day, Sunday.

Saburi asked his opinion as to whether or not the American government could accept the principle of making some agreement between the three countries.

Hankey replied that he thought America would very likely consent. Among his further statements he said he had long thought that one plan would be to have regional understandings for South America, the Pacific, etc. forming branches of the League, with Tokyo the organized main office for the Pacific.

Saburi asked whether he thought such a Pacific branch of the League as he spoke of could exist at the same time with the tripartite agreement.

Hankey replied that he thought it could.

Then Saburi referred to Briand's conversation, of our cablegram No. 91, and spoke of how Mr. Briand had said the right thing to do would be to establish something by the name of a League of Nations of the Pacific.

Hankey said that too much importance should not be attached to Mr. Briand's words, that the pride of the French people was strong and because of it they would not relish the establishment of a tripartite agreement excluding France, speaking as though he would exclude France in some

November 28, 1921

~~Very Confidential.~~

Referring to our cablegram No. 93, on the morning of November 28 Sir Maurice Hankey, the secretary of the British delegation, (who was present at the interview with Mr. Balfour reported in cablegram No. 93) told Saburi that on the afternoon of November 26 (?) Lodge and Root had called on Mr. Balfour. The latter had shown them our proposal for a tripartite agreement. Both said that "they were very pleased" and then emphasized that it was absolutely necessary to have a solution of the Shantung question before the United States could take up this matter. They also said that it would be rather hard to limit the agreement to three nations. Hankey spoke as if, in view of the tone of this interview between Mr. Balfour and the American delegates, he himself had hopes for future success. Hankey said that since under these circumstances the solution of the Shantung question was absolutely necessary for carrying through this matter, he fervently hoped that it might successfully be solved by the efforts of Mr. Balfour and Mr. Hughes.

Saburi asked whether the statement that it would be hard for the United States to limit the agreement to only three nations meant that the Americans did not wish to make an agreement among only three nations or whether it meant merely that it would be rather hard to limit it to only three nations.

Hankey replied that he did not take it to mean that the United States did not wish, but he took it to mean merely that it would be rather hard to limit it to three nations. He added that Balfour was to have an interview with Hughes at three o'clock this afternoon, the twenty-eight.

Saburi said that Japan wanted an agreement of the three countries only. He thought that it was just with a tripartite agreement that the Anglo-Japanese alliance could be replaced. It was meaningless to say that the Anglo-Japanese alliance could be replaced by a vague agreement embracing the other countries which had interests in the Pacific. The Japanese people would regard it as actually a mere annulment of the Anglo-

Japanese alliance and would by no means regard it as making an agreement to take the place of the alliance.

Hankey said that this was an extremely important point and it was extremely fortunate he had been acquainted with this view before the meeting of Balfour and Hughes. He asked whether there was any objection to his communicating this to Mr. Balfour as Ambassador Shidehara's views.

Saburi said that he might say so, as these were not his own opinions but those of Ambassador Shidehara and the other plenipotentiaries.

Hankey said that he would make haste to inform Mr. Balfour.

(space)

When Balfour saw Hughes that afternoon, he learned that the latter approved the amended agreement, but felt it necessary to admit France because of anti-English and anti-Japanese feeling in America. Yet in order not to weaken the force of the agreement and to please Japan, he wished to exclude other countries by limiting its force to the Pacific and by providing another agreement about China for all the interested countries. He wished to push it to an immediate conclusion before completing the discussions on China and announce it within a week if possible.

(space)

Washington-Tokyo, Conference No. 106,

November 29, 1921,

~~Very confidential.~~

Referring to our cablegram No. 104, after the interview between Mr.

Balfour and the secretary of state on the afternoon of November 28, Hankey in Mr. Balfour's name told Saburi the results of the conference substantially as follows:

(space)

The interview was a long one and there was an unreserved exchange of views. The secretary expressed general satisfaction with a draft which added the Balfour amendments to the Shidehara draft, but he said that it

was impossible to ignore the fact that a strong anti-British and anti-Japanese sentiment still existed in the United States. If an agreement were made with Great Britain and Japan alone, there was certainly not a little danger that it would excite strong opposition. Therefore to quiet this sentiment it would be advisable to include France. On the other hand he of course perfectly ^mcomprehended the Japanese view that it did not wish to weaken the effectiveness of the agreement by involving many countries in it. It would therefore be proper to exclude other countries except France. To do this the object and scope of the agreement should be limited to the Pacific, and another agreement concerning China should be made among the interested powers. He expressed the hope that this quadruple agreement might be concluded at once (Hankey said even next week, if possible) without waiting for a solution of Chinese questions. He had had the interview to ascertain from Mr. Balfour the Japanese views concerning this. He wished to be informed at the earliest possible moment of the views of Japan.

(space)

Our views on the foregoing will be communicated in another cablegram, but this change has developed with sudden force and we consider it extremely desirable under the circumstances to decide this matter immediately in order to produce on the future course of this conference an effect strikingly to our advantage. We wish therefore to request your most urgent consideration of it.

(space)

Washington advised Tokyo to admit France in a ^{cable}~~letter~~ that implies that Tokyo

had instructed her delegates to ~~work~~ for a tripartite agreement of their own supplementary to the former alliance, ^{for}

Kato and Shidehara advise Uchida to accept the proposal

of the English and Americans as consistent with their previous instructions. They

reveal that they are not so much concerned over possible military assistance as the

prestige of being associated equally with nations of world importance, such as America and Great Britain. Their one fear is to be internationally isolated, to be set outside the family of nations. They have no fear of coercion in any possible future conference of nations.

(Apocce)

Washington-Tokyo, Conference No. 120.

November 30th, 1921.

Urgent. ~~Very important~~

In regard to our cablegram No. 93, it is clear from the recent British proposals, that, controlled by the wishes of her colonies and by American influence, Great Britain has the intention of doing away with the Anglo-Japanese alliance, and of substituting for it a new entente which will include America.

The antipathy to the Anglo-Japanese alliance on the part of American public opinion is unexpectedly strong. Judging by reports from various quarters, we anticipate that the American government will certainly, at some favorable opportunity during this conference, state her wish before Great Britain and Japan for the abolition of this alliance, and there seems to be on foot something far removed from a selfishly organized international alliance (?).

Therefore, we believe the recent British proposal to make a change in the Anglo-Japanese alliance is the golden opportunity to make the tri-partite agreement noted in your former instructions, and that it would be advantageous for the Japanese government to work strenuously now for the establishment of this agreement.

This matter, as stated in our cablegram No. 106, has developed with sudden force. In looking over the plan in our cablegram No. 95, the first thing to be considered is the question of the entry of France. In thinking it over, we do not hesitate to say that the reason for Japan's desire to continue

the Anglo-Japanese alliance, or to conclude a tripartite agreement, is not in expectation of any help from the contracting countries in time of war; but solely to stand in a group with Great Britain, or with Great Britain and America, to act in concert with them, and mutually promise moral support, thereby averting Japan's international isolation. However, in attaining the above aims, our hope to limit this agreement to Japan, Great Britain and America is only natural; but, if our country alone opposes this now when America already wished for special reasons to have France a party to the agreement, and if Great Britain is also willing, it would not only not be to our advantage, to oppose, but, in consideration of France's international position and the existing Japanese-French relations, it can be said that the entry of France is on the whole but a natural result. Consequently we think that we cannot but ultimately approve the entry of France.

Secondly, if the application of this agreement were extended to China, there would be no ground for refusing participation to the interested powers, and in particular to China herself. We are therefore confident Japan would have no reason to interpose any objection to the British-American proposal that the application of this agreement be limited to the Pacific, as noted in our cablegram No. 107. In respect to the so-called separate agreement regarding China, although the British-American plan is not yet clear, it will not, as things stand today, have as a basis the British-plan given in our cablegram No. 108, ~~and~~ we think it proper to await the conference decisions on the Chinese question, and make an agreement.

Thirdly, clause 2 of our tentative plan specifies that in case disputes arise between the contracting countries, participation by the third and fourth contracting powers must be with the mutual consent of the disputing powers. Balfour changed this to "they agree to invite", making the relationship of conference with the disputants much more binding. Our tentative plan was so drawn up as to lessen as far as possible opposition on

the part of the American senate and government. If America herself has no objection to the Balfour amendment, we consider it unnecessary to express opposition persistently. This so-called conference will probably be entirely different from a court of arbitration and will not be anything that will coerce decisions which are contrary to the will of Japan.

Looking at the matter from another point of view, a study of the results of this agreement shows that Great Britain will thereby cause a transformation of the Anglo-Japanese alliance, cement Japanese-American friendship and reap as well the advantage for her colonies of a removal of the sense of apprehension with respect to the Japanese menace. America will, in bringing about the abrogation of the Anglo-Japanese alliance, at the same time ensure friendly relations with Japan^① and Japan, while avoiding a position of isolation, will at the same time sweep away the various hidden suspicions existing between Japan and America and strengthen the foundation for peace in the future.

We believe it good policy in our own interest that the Japanese government at this time settle the agreement immediately.

After you have given most urgent consideration to the above, please cable instructions. We think it possible that ultimately amendments may be made in the wording of the agreement^② but please reply immediately to the most pressing matters in the development of this question, viz. whether or not there is any objection to agreeing to :

1. Making the quadruple agreement;
2. Limiting the agreement to the Pacific.

(space)

(possible change, break)

The alert Jiji Shimpō man knew this almost as soon as the Tokyo government did,

for he sent a story on November 30 that the three power pact would be enlarged to include France. This was reported to London December 1 and reached Washington the next day. On December 3 it was denied by all the Washington delegation and so reported in the New York

Times. On December 5 there were rumors of converting the Consortium agreement from unofficial Japanese sources. The same day a despatch from Tokyo said a four power treaty was definitely under way. And there were likewise, more denials of both the completion of a three power pact and of French participation, though the Associated Press had a story that a deal was actually in the making.

December 6 Edwin L. James wrote another denial for the Times. The French press responded favorably to the idea at once. The Japanese diplomatic council was said December 7 to have approved officially the four power treaty. Rumors from other delegations had the new agreement resembling the Bryan "cooling off" treaties in which there was a lapse of six months for arbitration before war and said it originated "nearly a week ago", but the American delegation remained strangely silent. Some affirmed that French and American desires had enlarged the contemplated three power pact to a four. A Tokyo government news agency stated officially, however, that Japan would not abrogate the Anglo-Japanese alliance until the naval ratio was settled.

Marcel Ray, French correspondent, on December 8 claimed that Japan and the United States wanted the four power pact, but it was just Great Britain who wanted it limited to three. Italy asked to be included. The provisions of the agreement were held to be a guarantee of territorial integrity, which, if menaced, would call for a consultation of the signatories concerned and, if disagreement persisted, by the other signatories for mediation and arbitration, and provided for the abolition of the old alliance.

Just how much of that welter of rumor is true may be discovered by comparing it to the

cables above.

The fact that Balfour drew up the first draft of the Four Power treaty is strengthened by the first paragraph of No. 109, Tokyo's first comment on the idea at all. Uchida refers to a Balfour proposal in an earlier cablegram No. 66, which unfortunately was not intercepted, as well as to Shidehara's plan and Balfour's amendments of the latter. But even previous to their receiving these proposals, the government had a similar idea in mind.

Japan's original idea had been a three power agreement about China and the Far East providing for the promotion of the free and harmonious development of the commerce of the contracting parties. And they advocated a similar phrase for this treaty, since it was necessary to separate the agreement on China and the agreement on the Pacific. While they wished to have inserted in the treaty a passage concerning the encouragement of the free and peaceful development of each other's commerce and industry, they were not insistent upon it. Unfortunately paragraph 2 of No. 109 is missing. Tokyo grants permission for the four power pact in any form agreeable to the United States in both No. 109 and No. 124 of December 6. No. 125 gives Tokyo's preferred version of the four power treaty.

(space)

Tokyo-Washington, Conference No. 109. December 6, 1921.

Tokyo-London, No. 630. December 9, 1921.

Very urgent. ~~Very confidential.~~

Referring to your cablegram No. 66 (Note. Not received), we have given thorough consideration to the Balfour proposal in your cablegram No. 67, the proposal of Ambassador Shidehara in your No. 94, the Balfour amendments in your No. 95 and the proposed agreement concerning China in your No. 108. As you were informed in your earlier instructions, the formation of a triplicate agreement between Japan, Great Britain and the United States is desired by the Japanese government. A cabinet council will at once be called to consider the matter, but in view of the rapid development of the question at Washington, I transmit in haste the following points on our general views, although they have not yet passed the cabinet council. If possible it is hoped to do no more than establish an agreement on the basis of the Balfour proposal. ~~.....~~

In view, however, of the tone of the negotiations at Washington, it may now be hard to satisfy this hope. If this is really the case, there should be added to the text of the Pacific agreement phraseology from the Takahira-Root agreement ^(text) to the effect that it is intended to promote the free and harmonious development of the commerce of the contracting parties in the Pacific and that it is another purpose to protect the territorial rights of the contracting parties in the Pacific covering merely islands and it should be made clearer that the contracting parties will work together to maintain general peace in the Pacific.....The British did not show us the proposal at the same time that they presented it to the United States and the attitude of apparent hesitation when they were asked about it is not admirable.

3. According to your cablegram, the object of limiting the Pacific agreement to three nations was consideration of the attitude of Japan towards the annulment of the Anglo-Japanese alliance. In the

general instructions which you were given, you were instructed to work to develop a situation favorable for proposing a triplicate Anglo-Japanese-American agreement with the principal purpose of establishing permanent peace in the Pacific and the Far East. In view of changes which have since occurred in the situation, it is thought proper to separate the Chinese questions from the questions particularly concerning the Pacific and to establish a quadruple agreement of Japan, Great Britain, France and the United States, ^Ufor powers, which have important interests in the Pacific, are great naval powers and have hitherto had mutual relations of agreement or treaty.

December 6, 1921.

(Note. Not marked as part 2 but evidently is. Text is somewhat garbled.)

3. With the insertion of the passage in paragraph 2 of the accompanying cablegram No. 125 about the free and [Ed. Note. Possibly, peaceful] development of commerce and industry, we eagerly wish, as you know, to imitate the Takahira-Root agreement, and make more clear the harmonious and cooperating relations of the United States and Japan in the Pacific and to secure the application of the principles of the open door and equality of opportunity in the Pacific. At the present time, however, it is not considered necessary to carry this through, but while it is our underlying purpose in any form or language to have this aspiration of ours included, in case this is objected to with decision by the British and the Americans, we shall not go to extremes in contending for it.

4. It is desired as stated under heading No. 3/^{of}our cablegram No. 109 to limit this Pacific agreement to the four Powers of Japan, Great Britain, United States and France, and, in case a separate agreement on Chinese questions is made apart from the Pacific agreement, you will proceed on the policy outlined in the first part of the first heading and in the second heading of that cablegram. The agreement concerning China is of course of extraordinary importance to Japan, and it is needless to say that we desire you to render detailed reports in accordance with the changes in the situation.

5. If it is desired to make this Pacific agreement quickly, as reported in your cablegram No. 106, the Japanese government will have no objection.

6. With regard to the form of the Pacific agreement, it will be left to the discretion of the conference, etc., to decide at the convenience of the United States between a treaty, a joint announcement, an exchange of notes, etc.

(27-0-00)

~~Very confidential~~

With a view to the maintenance and consolidation of the general and permanent peace of the Pacific Ocean,

(a) The agreement of alliance dated ~~the~~ July, 13, 1911 hitherto in force between Japan and Great Britain.....[Ed. Note. Possibly, shall now be superseded].

.....[Ed. Note. Possibly, Plenipotentiaries, who] have agreed upon the following stipulations:

1.[Ed. Note. Possibly, The high contracting parties] agree that, if any insular and detached overseas territory in the possession or under the control of any of them in the Pacific ocean shall be threatened by the aggressive action of any third power, they will communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.

2.[Ed. Note. Possibly, The high contracting parties] engage to respect as between themselves all insular and detached overseas territory in the possession or under the control of each other in the Pacific ocean and to encourage the free and peaceful development of each other's commerce there. If there should develop between any two or more of them controversies of any matter in the beforementioned regions likely to affect the relations of harmonious accord between them, those powers shall invite the other contracting parties to a joint conference to which the whole subject matter will be referred for consideration and adjustment.

3. The present agreement shall supersede[Ed. Note. Possibly, the agreement of alliance hitherto in force between Japan and Great Britain.]

(space)
At the same time Uchida sent instructions that the delegates were to extend

appropriate thanks to Balfour for all his efforts in their behalf. This was duly

done the day of the public announcement. Even Hayashi thought this a fitting occasion for public explanation and gratification over past success⁰. M. W. Lampson was a member of the British foreign office.

(opac)

Tokyo-Washington, Conference No. 135.

December 7, 1921.

Washington-London, No. 629.

December 9, 1921.

~~Washington-Tokyo, Conference No. 102~~

~~December 12, 1921~~

~~London-Tokyo, No. 1340~~

~~December 13, 1921~~

~~London-Washington, No. 498~~

~~December 13, 1921~~

~~SECRET~~

~~Very confidential.~~

With reference to my conference cablegram No. 124, Your Excellency will on a suitable opportunity express appropriate thanks to Mr. Balfour.

Mr. Balfour during the past twenty years has devoted a great deal of attention to the Anglo-Japanese alliance which has performed such notable service. Recently, too, he expressed on November 22 to the Japanese plenipotentiaries the very impartial regarding the future of the Anglo-Japanese alliance. Likewise he advocated a tripartite agreement to take the place of the Anglo-Japanese alliance and inserted in the draft of this agreement the clause regarding the conclusion ofmilitary alliances. Finally, in the event of the development of new conditions in^{the} future, he made a reservation providing for the renewal of the Anglo-Japanese alliance. Therefore not only has he in the past maintained friendly relations between Japan and Great Britain, but he is striving all the time to make those relations firmer and he proposed the agreement in question to the American authorities. He therefore has the unmeasured gratitude of the Japanese government

Washington-Tokyo Conference No. 202.

December 12, 1921

The substance of Mr. Balfour's speech in the plenary meeting of December 10 was principally concerning the Anglo-Japanese alliance, as given in our conference cablegram No. 186. (Note. Not received.)

After this meeting Mr. Balfour specially sent Mr. Lampson to Plenipotentiary Hanihara to inform the latter that it was desired to know what impression had been made on the Japanese by this speech.

Hanihara said that the goodwill which Mr. Balfour had shown up to today in regard to close relationship between Japan and Great Britain and support of the Anglo-Japanese alliance, also his open sincerity in this question during the present conference, were fully understood and deeply appreciated by the Japanese. In other words, even if the alliance came to an end, Japan's earnest hope was not only that there would be no change whatever in the historical friendly relations between the two countries, but that they would increase more and more.

Lampson went away satisfied.

That evening at an entertainment at the Gridiron Club, Plenipotentiary Kato greeted Mr. Balfour in the tenor of the above. Mr. Balfour was very much pleased and thanked him repeatedly.

~~London-Tokyo cablegram~~ No. 1240.

~~London-Washington~~, No. 498.

December 10, 1921.

December 10, 1921.

In regard to your conference cablegram No. 124 to the ambassador at Washington, upon the establishment of agreement on this question, the Anglo-Japanese alliance will cease to be.

When the alliance so ceases, I think it necessary and appropriate to the occasion that both countries make a written announcement, reciting the actual results attained in the past, and stating that there will be a continuation and promotion of the cordial friendship between Japan and Great Britain.

I suppose that you have already made preparation in regard to the above, but I think it will be best to consult in advance with the British

government. Please therefore send me instructions as to your policy.

(after)

The Four Power Pacific pact was concluded December 9 and was to be signed after the solution of the Yap tangle. Jules Jusserand, French ambassador to the United States and Rene Viviani, French delegate were invited to join the other three countries December 7 through the agency of Hughes and met with them for the first time the next day. Hughes' draft, given in No. 180, was presented to the British and Japanese on the seventh. Hughes refused to insert at the request of the Japanese the section referring to the promotion of the peaceful and tranquil development of commerce, on the grounds that it would lead to the inclusion of Italy and other countries who were already clamoring to be admitted. Since it was not a matter of vital importance the Japanese gracefully submitted.

When the French joined them on the eighth, Hughes had amended his version of the pact, and it was then that the trouble of the interpretation whether "Japan proper" was to be included in the terms of the treaty first raised its head. It is important to note that Shidehara and Kato opposed its inclusion from the very beginning. The British legal authorities and Jules Juserrand were inclined to agree with the Japanese delegates that Japan proper was neither an insular possession nor an insular dominion and hence the terms were inapplicable to it. It was the prize diplomats, Balfour and Hughes, who saw only the fact that Japan proper was four islands and jumped at the fallacious conclusion that it must be logically included.

It was the Japanese who wanted to have it clearly understood that Japan proper was omitted. Hughes promised a supplementary note to this effect, but Balfour was the one to insist on the inclusion of the grounds that the national pride of Australia would be hurt otherwise, even though it was obvious that they were not of the same status. Likewise it was Shidehara and Kato who wished the expression of application to the mandated islands of the Pacific to be included in the supplementary note. This was afterwards granted in the American reservations to the treaty. ^(Faint) ('See Appendix V.')

I cannot understand Balfour's tortuous reasoning that led him to claim that the exclusion of Japan proper would make a generally undesirable impression. Japan was quite right in wishing to keep her main territory out of an agreement that did not include the main territories of the other parties. Yet Great Britain, the United States and France all wished to include Japan proper in the matter of settling controversies. None of them saw that their constituents might prefer to mind their own business and leave well enough alone. And so the damage was done.

(gpc)

Washington-Tokyo, Conference No. 176

December 9, 1921.

~~Very confidential~~

~~Washington-Tokyo, Conference No. 176~~

~~December 9, 1921~~

~~Washington-Tokyo, Conference No. 176~~

~~December 9, 1921~~

I shall in another cablegram give a history of the negotiations for the quadruple agreement since my last advices, but for the present I cable in haste the final decision as follows:

In a meeting of representatives of the four powers held in the private office of the secretary of state at 10 A.M., December 9, an agreement on the text of a quadruple treaty given in cablegram No. 177 was concluded among Kato, Shidehara, Hughes, Balfour, Viviani and Jusserand. The signature must wait on the solution of the Yap question.

The representatives of all the powers were unanimously of the opinion that the situation does not permit of any delay in publishing the agreement, and it was therefore decided to convene at once (perhaps to-morrow morning, the tenth) a plenary session and have Lodge announce it.

Washington - Tokyo Conference No. 179.

December 9, 1921.

~~Very confidential~~

Following is a history of the negotiations on the Pacific agreement.

1. At 4 P.M., December 7, Kato, Hughes, and Balfour met at the State Department.

A. On the sixth we had communicated to the Americans that we had no objection to having France participate in the Pacific agreement. In the meeting of Kato, Hughes and Balfour on the afternoon of the next day, the seventh, Hughes presented the draft of a text given in cablegram No. 180 and there was a tentative exchange of opinions concerning it.

B. I read aloud part 2 of your cablegram No. 125 and said that I hoped for the insertion of the provision given under heading No. 3 of your cablegram No. 124 concerning the free and tranquil development of commerce. Hughes said that it would be proper to insert it in the preamble, I replied that I wished it to be inserted in the main text.

Balfour said that in order to exclude Italy from the agreement, it was necessary to limit the purposes of the agreement to questions in which the contracting powers had common interests, and therefore it would not be proper to insert provisions about commerce. He also expressed opposition, because provisions of this kind could be interpreted as being connected

with the customs tariff question.

Hughes also said that much attention must be paid in connection with Italy. Italy had repeatedly expressed a wish to participate. As a reason for refusing, he had explained that there was absolutely nothing in the agreement which concerned Italy. It would therefore be better not to insert any wording which might be considered to include things which would have even the slightest influence on Italy or other countries. He declared his approval of Balfour's opinion.

As Balfour's attitude also was very firm, it was clear that there was no hope of achieving our wish. I therefore, in the spirit of your instructions, avoided insisting on our contention.

C. As the Italian delegation had expressed to the British a strong wish to participate, and the British and Americans wished to exclude Italy and all other countries, it was decided also to eliminate tentatively the wording in the American amended draft about the maintenance of universal peace.

D. Hughes said that as until today he had not said a word about the matter to the French, he wished immediately to invite Viviani and Jusserand and begin conversations among the representatives of the four Powers. Balfour suggested that in view of the strongly emotional nature of the French, rather than suddenly to invite the French representatives into a room where representatives of three powers were meeting, it would certainly be better for Hughes alone first to invite them to a conversation, and then to open a new conference among the representatives of the four Powers. All agreed to this, and it was decided that Hughes should have an interview with the representatives during that same day, and should on the next day call a meeting of the representatives of the four Powers.

2. At 4 P. M. on December 8, the representatives of the four powers met in the private office of the secretary of state (Kato, Shidehara, Hughes, Balfour, Viviani and Jusserand were present).

A. Hughes presented a draft which was that of the day before given in

the discussion. It differed from the original draft in four places, as follows:

1. After "possessions" in the preamble, read "and insular dominions in the region of the Pacific Ocean, the United States of America, the British Empire, France and Japan agree as follows."

2. In Article 1, change "controversies" to "controversy". Between "above-mentioned region which is" and "likely to affect" insert "not satisfactorily settled by diplomacy and is".

3. Change the last phrase in Article 3 from "one year's notice" to "twelve months' notice."

4. In Article 4, change "exchange" to "deposit".

Incidentally, the draft presented by Hughes kept the phrase "preservation of the general peace and" which had tentatively been eliminated the day before.

B. The secretary of state asked for opinions on the draft.

I asked whether "insular possessions" in article 1 included Japan proper. The secretary replied that naturally it did. I said that the interpretation that the "center and main body" of Japan was not an island could also be set up. The French ambassador and a British legal adviser, who was present, considered that there was reason for this interpretation, but Hughes and Balfour expressed opinions to the contrary. I said that rather than have a doubt about the interpretation, I wished to ask for a clear understanding that it did not include Japan proper.

Hughes said that if it were desired to exclude Japan proper, he would not positively oppose this, but it would be necessary to make this meaning clear by a separate supplementary note. Balfour, however, said that he had imagined that Japan would wish to have Japan proper included within the scope of the application of this agreement and he felt extremely surprised that on the contrary it wished to exclude it.

I said that if the main territory of the other contracting Powers was not included in the scope of the application of this agreement and the main

body of Japan alone was to be included, it must be expected that our national feeling might oppose this.

Balfour said that he had thought that it would be considered a privilege to be included within the scope of the application of the agreement and it was hard to understand that Japan on the contrary should be offended by it, but, if there was a reason for excluding Japan proper, the Australian self-governing dominions would not understand Japan's contention that the agreement should apply to their main territories and would regard this with suspicion.

To this I replied that Australia was one of the British overseas dominions and could not be regarded as the same as Japan proper.

Turning again to Hughes, I inquired whether mandated territories were included in "insular possessions".

He replied "yes", but negotiations between the United States and Great Britain on the South Seas mandate question had not yet been completed, and he could not today directly recognize Japan's rights in these islands. He considered, however, that when the negotiations he had mentioned were concluded, the phrase about rights in this treaty would naturally include Japan's mandated islands.

I then said that I hoped that an expression to this effect would be inserted in the annex which would provide for the exclusion of Japan proper. Hughes consented to this.

At this point Balfour said that he did not yet clearly understand the arguments for and against the exclusion of Japan proper, but for convenience the discussion of this point was postponed and we went on to other matters.

C. I next asked whether the phrase in the preamble "rights with respect to their insular possessions" etc. meant only territorial rights. Hughes said that the wording in this passage had a broad meaning including all rights and certainly was not limited to territorial rights. The French ambassador expressed the same opinion.

D. As paragraph 1 included matter about rights and also matter

about means of adjusting controversies, and, because both provisions were together in a single paragraph, the controversies might be interpreted to be limited only to the rights mentioned, I proposed that the article be divided into two paragraphs and this was agree^d_^ to.

E. In the passage in Article 1 "controversies on any matter in the above-mentioned regions", the phrase "the above-mentioned regions" indicated the Pacific regions at large, and therefore controversies arising in Japan proper would be included in this provision. As we wished to place Japan outside the scope of the application of this agreement, I contended that things concerning Japan proper should also be excluded in connection with controversies also.

Balfour said that in the first place, as this paragraph provided methods for settling controversies, the insertion of a provision particularly and specifically excluding Japan proper would make a general undesirable impression. Furthermore, it would be a source of misunderstanding if, in spite of the fact that Australia had this provision applicable to controversies concerning its main territory, there should be a discrimination made by which it should not apply to controversies concerning Japan proper. Japan had included Japan proper in the scope of application of the Anglo-Japanese alliance. He asked whether the present desire for exclusion was based on a change of policy.

In reply I pointed out that among the provisions of the Anglo-Japanese alliance there was no provision for methods of settling controversies of the two countries, and I asked him whether he thought that the United States would have no objection to the inclusion of its continental territory likewise, or Great Britain to that of Canada proper.

Hughes said that it was by no means his wish to exclude controversies on the American Pacific coast from the application of this Article (he added: "but regardless of whether or not there is an express provision, questions such as the immigration question and the tariff question are purely domestic questions, and are therefore outside the scope of its application"), but once continental regions bordering on the Pacific were included, it would immediately become

difficult to refuse the participation of China, Chile, etc., and the foundation for limiting the agreement to the four powers would be overthrown.

Viviani said that France and Indo-China would both eagerly demand the inclusion of Indo-China in the scope of the agreement, but once there was an instance of entering on the mainland it would be impossible to refuse the participation of other countries, and regions of political unrest such as China and Siberia would be included. He was therefore withholding a special claim for Indo-China.

Thus Great Britain, the United States and France all opposed the exclusion of Japan proper in case of controversies. After some debate, Hughes said that if a provision were inserted excluding matters which were considered domestic questions, Japan would have no objection to placing its main territory within the scope of application. The British and French also keenly desired to reach an understanding on this, but I did not accept it, but proposed that we discuss it again tomorrow after a night's reflection. This was unanimously agreed to.

F. Under the phrase "they shall invite" in Article 1, the high contracting parties would certainly have the obligation in a given case to submit to discussion by a conference. There might be cases in which the parties to the controversy might wish to appeal to a court of arbitration or to submit the controversy to the examination of an organ of the League of Nations. I therefore suggested that it would be better to have a provision that the submission of a matter to conference would require the assent of both the disputing Powers.

Hughes said that he had inserted in the original draft the phrase "which is not satisfactorily settled by diplomacy." Then it would be possible to propose one of the above-mentioned methods of peaceful settlement of controversies or to use diplomatic methods, and, if all these methods failed, the matter would be submitted to a conference. If this condition were inserted, however, it would seriously weaken the effect of the provisions of this paragraph.

We considered that it was not necessary to oppose this strongly and it was arranged in this way.

December 9, 1921.

A. With a view to the preservation of the general peace and the maintenance of their rights with respect to their insular possessions and dominions in the Pacific Ocean, the Signatory Powers agree as follows:

1. They engage as between themselves to respect the said rights and if there should develop between any two of the high contracting powers controversies on any matter in the above-mentioned region which is likely to affect the relations of harmonious accord now happily subsisting between them, they shall invite the other high contracting parties to a joint conference to which the whole subject will be referred for consideration and adjustment.

2. If the said rights are threatened by the aggressive action of any other power, the high contracting parties shall communicate with one another fully and frankly in order to arrive at an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.

3. This agreement shall remain in force for ten years from the time it shall take effect, and after the expiration of said period it shall continue to be in force subject to the right of any of the high contracting parties to terminate it upon one year's notice.

4. This agreement shall be ratified as soon as possible in accordance with the constitutional methods of the high contracting parties and shall take effect on the exchange of ratifications, which shall take place at Washington, and thereupon the agreement between Great Britain and Japan, which was concluded at London on July 13, 1921, shall terminate.

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We learn just why the Japanese delegates consented against their better judgment to allow the inclusion of "Japan proper": they could not come out and say baldly that Tokyo had ordered it, because of the possibility of unjust results; they wished to avoid various speculations; they did not wish to obstruct the object of guaranteeing the peace of the

Pacific and promoting the friendship of the four nations; in lieu, they obtained a vague wording concerning the nature of questions to be discussed for convenient political interpretation; finally, the haste with which matters were pushed to a rapid conclusion forbade them referring to Tokyo to check up definitely on Japanese desires.

We gather that in the first part of cablegram No.124, not received by the American Black Chamber, Tokyo had definitely ordered the Washington delegates to exclude the mainland of Japan and America from the scope of the treaty in order to prevent any unfair or prejudiced decisions in advent of an emergency. If it had not been for undue pressure from the other three countries, Kato and Shidehara would have carried out the original wishes of their country and avoided more than a peck of trouble in America and at home.

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Washington-Tokyo, Conference No. 189, December 11, 1921.

Very Urgent. ~~Very Confidential.~~

Following is a confidential report of the impressions of the delegates concerning the negotiations for the quadruple agreement and of their action.

1. That the Anglo-Japanese alliance was not aimed at the United States had repeatedly been declared by the governments of both countries, but in the United States an apprehension was entertained that, if by any chance a war should break out between one of the allies and the United States, the other allied country, regardless of what might be its treaty obligations, would in fact give either material or immaterial aid to its ally. Besides this, in connection with Pacific and Far Eastern questions, considering both present conditions and future developments, political and economic, the United States was awake to the fact that it has interests at least as great as those

of Great Britain, and there was a strong feeling that the existence of a particularly intimate connection between Japan and Great Britain was disadvantageous for the United States.

It is said that the secretary of state had hinted to some of his intimate friends and to influential newspaper men that he would not welcome the continuance of the Anglo-Japanese alliance, but as a sudden proposal from the United States that the alliance be abrogated would have been an extremely delicate matter in relation to the two countries, he was apparently awaiting the arrival of a favorable opportunity. It happened that Balfour, immediately after his arrival here, presented his plan for a triplicate agreement to Hughes and sounded the views of the American government, but in the text of that proposal the case of keeping a military alliance was contemplated. Hughes feared that such a clause would invite misunderstanding on the part of American public opinion, and at the same time the views of Japan were entirely obscure. He therefore took the matter under advisement for a while.

At this juncture our proposal for a triplicate agreement communicated as Shidehara's tentative draft is supposed to have given the incentive to secure the assent first of Hughes and then of Lodge and Root, and the negotiations moved on rapidly. It is not hard to conjecture that this was the sequence of events from the fact that the draft of an agreement presented by Hughes on December 7 was essentially our tentative plan.

2. Not only is it clear from what Hughes told Balfour that the American government warmly welcomed this plan, but, when we see that on his own initiative he expressed a determination to make this agreement in full treaty form, it can be seen how confident he was that the proposal would hit the temper of the American public. A report about the question of French participation has already been cabled and you are acquainted with it.

3. On the other hand, considering your cablegram No. 124, we understand wish that the/of the Japanese government for the exclusion from the scope of this treaty of the Japanese and American mainlands was absolutely due to the apprehension that, if the place of origin of the complications contemplated in this

treaty were the American or the Japanese mainland, unjust results might be occasioned in practice. The Japanese delegates, therefore, in this spirit and to the limit of their strength contended for the exclusion of the Japanese mainland, but could not secure the consent of the British, American and French delegates to this.

Not only would the reason for specifically excluding, by whatever wording, the Japanese mainland, not be clear to outsiders, and it would therefore be hard to avoid conjectures and speculations of various kinds, but, as Balfour pointed out, the Anglo-Japanese treaty applied even to infringements of territorial rights of the Japanese mainland, and for the present treaty on the contrary to exclude particularly the Japanese mainland from the application of the preamble and of Article 1, Paragraph 1 and Article 2 would probably be no more than a narrow argument based on feeling. By adhesion to such a point of view to obstruct the great object of guaranteeing the tranquility of the whole region of the Pacific and the friendship of the contracting powers would not be politic and would quite fail to secure the general approval of the world. We also took it that it was not your meaning that we should absolutely contend for the exclusion of the Japanese mainland from the application of the preamble and Article 1, Paragraph 1, and Article 2.

At the meeting of the representatives of the four powers, on December 9, we therefore declared that Japan did not demand a provision or an understanding especially excluding the Japanese mainland, and at the same time we proposed that we should avoid indicating the places of origin of complications in Article 1, paragraph 2, but make a provision for the submission to a conference of the four powers of matters according to the nature of the questions, i.e., matters concerning Pacific questions. In other words we hoped that disputes in Japan proper, so far as they had no connection with Pacific questions, should automatically be excluded from the scope of the treaty.

As a result of an exchange of views among the representatives of the four powers, the wording "arising out of any Pacific question and involving their said rights" was adopted.

This wording is objectionable on grounds of not being clear, but this treaty is a purely political agreement and is different from something having a purely juridical nature like a treaty for a court of arbitration. It is therefore better to use wording which is elastic from the point of view of the application of the treaty, rather than to have its provisions legally and theoretically precise. Of course this article does not prevent the parties ^{from} to a dispute/continuing negotiations to settle the dispute, or from appealing to a court of arbitration, or from taking diplomatic steps to submit the dispute for consideration by the League of Nations. We therefore considered that even if we gave our consent, there would be no practical disadvantage and we gave our consent.

4. In the negotiation of this question Hughes and Balfour acted and decided arbitrarily in accordance with their own convictions. Viviani from the time that he received the first proposal in the matter from Hughes, proceeded steadily with the negotiations practically without time even to report to his government, and it became necessary to participate in final decisions. In view of this situation, if the Japanese delegates alone had claimed that they had to ask for instructions on each point one by one, we felt that we should lose a great opportunity and lower the international position of Japan. We therefore did not wait for detailed instructions, but took part resolutely in the decisions.

We trust that when you understand the foregoing, you will approve our course.

~~Those articles of the League of Nations covenant are:~~

~~Article X. - The members of the League undertake to respect and preserve as against external aggression the territorial integrity and existing political independence of all members of the League. In case of any such aggression or in case of any threat of danger of such aggression the Council shall~~

The Four Power Pacific treaty as printed in Appendix IV with later corrections was presented in substance to the plenary session December 10. Immediately political writers and editors began comparing it to various articles of the covenant of the League of Nations, Articles X, XI and XII. (tent)

(These articles of the League of Nations covenant are:

Article X.- The members of the League undertake to respect and preserve as against external ^{ag}gression the territorial integrity and existing political independence of all members of the League. In case of any such aggression or in case of any threat of ^{danger of} such aggression the council shall advise upon the means by which this obligation shall be fulfilled.

Article XI.- 1. Any threat of war, whether immediately affecting any of the members of the League or not, is hereby declared a matter of concern to the whole League, and the League shall take any ^{to} action that may be deemed wise and effectual to safeguard the peace of nations. In case any such emergency should arise the secretary-general shall on the request of any member of the League forthwith summon a meeting of the council.

2. It is also declared to be the friendly right of each member of the League to bring to the attention of the assembly or of the council any circumstance whatever affecting international relations which threatens to disturb international peace or the good understanding between nations upon which peace depends.

Article XII.- 1. The members of the League agree that if there should arise between them any dispute likely to lead to a rupture, they will submit the matter either to arbitration or to enquiry by the council, and they agree in no case to resort to war until three months after the award by the arbitrators or the report by the council.

2. In any case under this article the award of the arbitrators shall be made within a reasonable time, and the report of the council shall be made within six months after the submission of the dispute.)

~~The trustee~~

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~~The Four Power Pacific treaty as printed in Appendix IV with later corrections~~
~~was presented in substance to the plenary session December 10. Immediately political~~
~~writers and editors began comparing it to various articles of the Covenant of the~~
~~League of Nations, Articles X, XI, and XII.~~ [~]
The American delegates pointed out
that Article II of the new treaty differed from Article X of the League of Nations,
because, while it required the signatory powers to respect the rights of others, it
did not require preserving them. This was too juicy a morsel for the professional
howlers to drop and the mere assertion was largely ignored.

The first senate sentiment after the announcement of the treaty was favorable
and Senator ^{Gilbert} M. Hitchcock of Nebraska predicted that it would be ratified without
much difficulty. Senator James A. Reed of Missouri was the chief dissenting voice, for
he denounced it at once as a masked treaty of alliance. All of this was culled
for Tokyo consumption.

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Washington-Tokyo, Conference No. 197.

December 11, 1921.

The sudden announcement of the Pacific treaty in the plenary session
of December 10 made a great impression on American public opinion which
had been stimulated by fragmentary articles which have recently been
appearing in the newspapers. The newspapers of the eleventh all
published it with big headlines. As the time was short, most papers
merely published news articles and there were few editorials. Clear
statements of the opinions of the leading public men were also few.

Following is a hasty summary of the attitude of Senators and the
opinions of newspapers.

1. Attitude of the senate.

As the Pacific agreement has the form of a treaty, the question of what attitude the senate will take towards ratifying it arouses extraordinary interest among the public. Hughes' designation of Lodge for the duty of announcing the treaty was probably due in the end to consideration of the point of view of manipulating the senate, and it is generally remarked that the hasty publication of the treaty before it was signed was probably in order to provide against senators committing themselves prematurely on the basis of fragmentary reports.

From comparison of the newspapers of the eleventh it is gathered that outside of a few "irreconcilables" (Borah has not yet published his opinion) the whole Republican party will approve the treaty, and the Democratic party, on the ground that Article II of the treaty really merely limits the field of application of Article X of the covenant of the League of Nations and that it substantially agrees with their position, will also all approve it under the leadership of Underwood, except for a few irreconcilables. Not a few are inclined to be uneasy about what will be Wilson's attitude. When the treaty is discussed, the Democrats will of course make a considerable debate to retaliate for the Republican opposition to the Versailles treaty, but this treaty has the clause for the abrogation of the Anglo-Japanese alliance which Republicans and Democrats alike will gladly welcome, and it does not have the provisions for sanctions which the Republicans do not like. Observers generally think that in the end it will be ratified with little opposition.

The senator who has been the quickest to publish a definite view is Reed, one of the influential irreconcilables. He has made a statement that this treaty is a masked treaty of alliance, and that, as the United States has only one vote among four, it may in certain events be drawn into a war with the friendly nations of China or Russia. He must positively oppose such a treacherous treaty.

2. Summary of press comment.

Regardless of their party affiliation, the newspapers all attach importance to the making of this treaty and express great satisfaction especially in connection with the fact that it destroys the Anglo-Japanese alliance which has been regarded with distrust by Americans in general. One or two newspapers say that the new treaty will merely have the negative good result of destroying the alliance.

Putting together the general comment, it appears that the papers are substantially unanimous on the following points.

a. The new treaty will do away with the bugbear of a Japanese-American war and will bring about a rapprochement of the two nations.

b. The mutual respect of the rights of the four powers in the islands of the Pacific will ease the minds of the British dominions, and the provision that the United States and Japan in future will not establish naval bases in these islands will have an important effect in promoting the friendship of the two nations.

c. The new treaty will facilitate the making of agreements concerning naval limitation and the Far East.

Some newspapers, ~~and~~ especially those belonging to the Democratic party, ~~argue~~ argue that Article ^{II}~~A~~ of the new treaty is practically identical with Article X of the covenant of the League of Nations. In opposition to this, the Republican newspapers say that the League of Nations made the nations not only mutually respect their rights, but went further and bound them to maintain them, and imposed on the United States the obligation of military support; while on the contrary the new treaty merely provides for mutual respect of rights and does not impose on the United States the obligation of mutual support, which they argue is a great difference.

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But the troubles of the conference were not over with the concluding of the

Four Power Pacific treaty, for the controversy over "Japan proper" had yet to be settled. We will watch that whirlwind of trouble in the next chapter.

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Part III.

Four Power Pacific Treaty.

Chapter 10.

Japanese Hamlets.

When the treaty was to be announced in plenary session, ^{December 10,} the duty devolved on Henry Cabot Lodge. He made a poetic speech about the beauty of the South Sea isles, but he neglected to refer to the islands of Japan at all. Whether this was intentional or whether he was just wrapped up in his rhetoric, perhaps only he knows. The fact was that since no mention was made of that bothersome phrase "Japan proper", ~~and~~ the public, including press and editors as well as the American senate, assumed that Japan's home base was not included in the terms of the treaty. That accounts for the general sentiment of approval and for the fact that the fault-finders confined their efforts to comparisons with the League of Nations.

It was not until two days after the plenary session that it dawned on any layman. J. G. Hamilton, correspondent for an English newspaper was the first to note that there was nothing in the terms of the treaty to exclude Japan proper from the enjoyment of its privileges and, ergo, it must be included. The

rest of the world had been busy over rumors that Japan had **wanted to keep France** out, which Masanao Hanihara, fourth Japanese delegate, had to deny formally in a press interview the same day Mr. Hamilton made his important discover, and over the formal signing of the treaty in the state department, December 13.

It was the day the treaty was formally signed that Mr. Hamilton's brilliant discovery appeared in public print. Immediately everyone was up in arms. A rush was made to the American delegates to ascertain if this was so. Surprisingly enough, they said it was and were not at all **alarmed** over the disconcerting fact. Senators began to say they did not interpret it in that sense. Editors began to imply there must be a reason for this special privilege and that this reason must be Japan's price for giving up the Anglo-Japanese alliance. And, of course, this opinion spread like the measles. Even Senator William E. Borah, usually so alert to detect imaginary fatal intent, had overlooked this serpent in their midst.

Reporters flocked to the Japanese delegation to get the oriental reaction to this new development. Baron Kato was quite non-committal, however, and said the interpretation of the kind of guarantee granted Japan was left to each country's interpretation. The senators were roused to denunciation at once. ~~Borah~~ cried ^{to} if that were true, no ~~ratification~~ could be expected. Senator Thomas Edward ~~Watson~~ from George decried the whole idea of occidental protection for orientals as ridiculous. Senator William Henry King of Utah and Senator

of Missouri were both vocally opposed and were not hesitant with denunciatory terms.

All of this was duly made known to Tokyo.

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Washington-Tokyo, Conference No. 236

December 15, 1921

~~Washington-Tokyo, Conference No. 249~~

~~December 15, 1921~~

No discussion of the scope of the application of the Pacific treaty had been seen in the newspapers until today, but an article from its Washington correspondent published on the first page of The New York Times of December 15 has apparently excited general attention and I therefore transmit the main points of the article, as follows:

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Great Britain, the United States and France under the new treaty guarantee the territorial integrity of Japan. If the new treaty is ratified, the United States will give Japan territorial protection which it refused to give to France. The term "insular possessions and insular dominions" applies to Japan proper and its islands. This is recognized by all the foreign diplomats who took part in making the treaty, and by all the American delegates from the secretary of state down. Japan, by securing a guaranty of her own territorial integrity from the three powers without guaranteeing their territory, has obtained a good price for the abrogation of the Anglo-Japanese alliance. During the discussion of the treaty in the senate on the tenth, not one of the senators made this interpretation. On the fourteenth Borah confessed that his interpretation had been different from the above. Comparing this treaty with the triplicate treaty signed at Paris by Great Britain, France and America, the latter merely

~~merely~~ intended to protect France against German attacks, but the former protects Japan against attacks of any power. The guarantee of the territorial integrity of Japan is not merely theoretical, but might be applied in North Sakhalin.

Washington-Tokyo,
Conference No. 249.

December 17, 1921

Referring to my cablegram No. 236, in reply to the questions of newspaper writers on December 15:

1. The secretary of state confirmed the fact that Japan is within the application of Article ^{II}~~II~~ and at the same time said that it was not right to confuse the tripartite Anglo-French-American treaty of alliance, which the senate had refused to ratify, with the new treaty. The former imposed on the United States the obligation of military support while on the contrary the latter specified no means of support. He emphasized the great difference between the two treaties in the point that the degree of support they provided for was not equal.

2. A British delegate said that the new treaty was not a guarantee of the territorial integrity of the contracting powers. He regretted that in interpreting article ^{II}~~II~~ wording about a guarantee was used. The new treaty was merely a promise that in case of the occurrence of an incident, such as was provided for in Article ^{II}~~II~~, the four powers would consult together on the incident. None of the powers had given a guarantee in advance as to the method to be taken as a result of such conferences. There was already a clear understanding of this point among the contracting powers.

3. Delegate Kato replied frankly to the inquiries of the writers that the interpretation of the treaty was left free to each.

4. All the newspapers of the sixteenth published the foregoing conversations.

Among them The New York Times said that whether the treaty amounts to a guarantee of the territorial integrity of Japan depends entirely on what Article ^{II}~~II~~ means.

1. If that article means that, should Japan get in a difficulty she could not solve alone, the other powers will help her out, it is clear that it gives a guarantee to Japan.

2. If the article means that the other powers would consider the incident, and help only in case they considered help was deserved, it would be a modified guarantee.

3. If the article means that the three powers intend merely to confer, and, regardless of the merits of the case, not to use military or naval force to help Japan, then of course it gives no guarantee.

The New York Tribune said that it was clear that the new treaty imposed on the United States no obligation for military assistance, but it was hard to see why the three powers extended the application of Article ~~8~~ ^{II} over the main territory of Japan alone. Japan might have claimed of the United States a guarantee, moral if not military, against future attacks which might threaten Japanese islands or main territory before it would accept the naval reduction proposal. It would be difficult for Great Britain to abrogate the Anglo-Japanese alliance without the consent of Japan, and the consent of Japan to the abrogation may have depended on receiving the special arrangement provided for in Article ~~8~~ ^{II}. Great Britain may therefore have supported the Japanese contention and as a result the article was inserted.

Senator Borah told a New York American reporter that the inclusion of Australia and New Zealand under Article ~~8~~ ^{II} was difficult to understand, and, that in case the drafters of the treaty said that the understanding conveyed in Article ~~8~~ ^{II} is that Japan proper is included, it is clear that the senate will refuse to ratify it. Watson said that the idea of three countries of the white race giving assistance to a country of the brown race was ridiculous. King, Reed and others also denounced Article ~~8~~ ^{II} according to articles in the newspapers of the sixteenth.

Reed even made a bitter attack on the whole thing in the senate on December 17.

Then three days later, in all, ten days after it was first reported to the world and a week after the question of Japan proper broke, the President came down out of the clouds and said of course Japan proper wasn't included. Where he had been all this time and what his interests were no one knew, but it was evident that the American delegation drawing up treaties in his name had been neglecting to keep him as fully informed as he should have been.

As soon as he gave his own interpretation, he was told that this was contrary to the previous decision of his ministers. On learning this, he right-about-faced and said that Hughes' interpretation was quite agreeable to him. It is all right to delegate power and to trust one's subordinates sufficiently to believe that they have good reasons for their decisions, but I question the wisdom of changing one's opinion lightly on so weighty a matter, assuming due thought had been given to forming the opinion in the first place.

The reporters rushed to Hughes to discover the reason for the divergence of opinion. A meeting of the President, Hughes, Lodge, Oscar Underwood, and others brought them to a unanimous official stand in favor of the earlier announcement: "inclusion".

(space)

Washington-Tokyo, Conference No. 264.

December 21, 1921.

Because the President on the twentieth, on his usual reception day, divulged in reply to a correspondent's question that he understood the Japanese mainland was not included in the beginning of the four power treaty, the

attention of the press was at once aroused, and many of the correspondents interviewed the secretary of state again, pointing out that the secretary had declared before that the mainland of Japan was included, and asking the reason for this disparity in the interpretations of the President and the secretary.

The secretary was greatly troubled (?) by this, and said he could not discuss in any way the President's introductory remark.

In the light of such reasons as that when Lodge made his announcement speech in the conference regarding the new treaty he made no reference to Japan Proper although he enumerated many islands, a feeling of suspicion was more and more heightened and the situation was becoming critical. Accordingly the President, at the close of a conference with the secretary of state, Lodge, Underwood, and others, issued an official announcement the same night. This announcement is given in my accompanying conference cablegram No. 268. He thereby declared that he had no objection to the interpretation agreed to by the American plenipotentiaries that the mainland of Japan was included.

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The public generally was curious to discover who took the lead in negotiating the treaty. It was not on the agenda, therefore ten to one the initiative did not come from America. England was the favorite bet as chief instigator.

The day of Harding's confusion Baron Kato dropped the first hint that there might be a later interpretation of the treaty as a way out of the present difficulties. The next day there were other rumors of possible notes to clarify the meaning. Some said that America had insisted on the inclusion of Japan proper, because of Hawaii; others, that England had, because of Australia and New Zealand, and finally, a third group thought Japan

herself had, because of compensation for the old alliance.

It was on December 22 that Tokyo's stand that it would oppose this interpretation, because it was a reflection on their national prestige and dignity, appeared. The following day rumor had it there would be no notes of explanation for the English and the Americans had convinced the Japanese in Washington sufficiently that there was absolutely nothing to fear from the inclusion and legally speaking there was good ground for that view. Even though Tokyo was ordering an exception to be made, Hanihara on December 27 declared that the whole matter was unimportant to Japan, that while they were not opposed to having the exception made, they would not work desperately to bring this about. But rumors of the possible notes of ~~ex~~clusion continued the next day and January 3.

Japan had plenty of company in her demands for the exclusion. Originally, as we saw in the last chapter in No. 179, Kato and Shidehara had claimed that the center and main body of Japan was not an island and the French ambassador and the legal advisers for England had agreed with them. Kato and Shidehara had wished a clear understanding to this effect in a supplementary note and were afraid that their national feelings would be hurt.

Tokyo ordered that Japan proper be excluded at all costs to prevent a popular uprising, even if it were necessary to exclude Australia and New Zealand like wise. As conditions actually were, Tokyo would much more have preferred to have Korea included than ~~there~~ⁱⁿ mainland. Korea was a province in which there was frequent trouble, where it was

not impossible to imagine a situation arising in which some outside assistance and advice might not be remiss, but any domestic trouble was another matter.

Uchida saw the inequality under which Japan would suffer if the provisions were not equally binding on all four and if she were forced to consult the other three powers, should any instance of aggression of any strange power occur. The government objected to having to submit any controversy that it had with one power concerning the homeland to a joint conference of the other two, who were not immediately concerned. That was the chief difference between the new treaty and the old in Tokyo's eyes. Moreover, the government feared demonstrations against it, should the people learn the trend the affair had taken in America.

(space)

Tokyo-Washington, Conference No. 198

December 17, 1921

~~Tokyo-Washington, Conference No. 198~~

~~December 17, 1921~~

~~Tokyo-Washington, Conference No. 198~~

~~December 17, 1921~~

~~Washington-London, No. 228~~

~~December 23, 1921~~

Urgent. ~~Very Confidential.~~

Referring to your cablegrams Nos. 179 and 189:

1. Under ordinary grammatical interpretation no one would venture to doubt that the phrases "insular possessions" and "insular dominions" do not include the main body of the country which has insular possessions and dominions. Further, in this case if Japan proper is included, Korea would not be included in spite of this fact, and a queer phenomenon would be presented in respect of the interpretation of the treaty.

2. According to your opinion, the wish to exclude Japan proper would be nothing

more than a narrow emotional argument. There is indeed the point that it is undesirable from emotional considerations connected with dignity, but apart from the question of feelings it is also undesirable as a practical question. Thus in case of trespass of a third power on Japan proper, except in cases of extreme urgency in which the right of self-preservation would apply, in all other cases Japan would have to confer with Great Britain, the United States and France, but in a similar case those three powers would not have to consult with Japan or the other powers, but could immediately confront the third power. The fact of Japan alone bearing this obligation must be stigmatized as an inequality.

3. We find difficulty in accepting the argument that because the Anglo-Japanese alliance included Japan proper in the scope of its application, there should be no particular objection to the present quadruple agreement doing the same. The Anglo-Japanese alliance did include Japan proper in the scope of its application, but this was only in case of trespass or aggression on the part of a third power. By Article 1 of the present quadruple treaty in case of controversies among the contracting powers alone, such a controversy which may develop in Japan proper must be submitted to joint conference with all the contracting powers. The national pride of our people will not permit that Japan alone should bear this obligation. Especially, the alliance was limited to relations between Great Britain and Japan and established between them the most intimate relation that in case of trespass or aggression by a third power the two powers were obliged to help each other. Therefore, although Japan proper was included in the region ~~to~~^{to} be jointly defended, from our standpoint this was rather an advantage and was *not* accompanied by any special disadvantages. Under the quadruple agreement, however, in case controversies arise between Japan and another contracting power, if Japan alone were to put her main territory on which the controversy arose within the sphere of application of the agreement, there might be disadvantageous results depending on incidents.

Of course the Japanese government welcomes in principle this quadruple agreement, and is delighted that it has been made by Your Excellencies' devoted efforts,

but unfortunately, in view of the importance of the reasons given under the above three headings, it does not wish to leave things as they are, and has considered a hundred eventual policies.

Now the Japanese government had even wished that Australia and New Zealand be added to the scope of the application of this treaty in view of the fact that these two countries had come to express friendly views towards the Anglo-Japanese alliance, but it is not necessary to include these two countries. Accordingly, if the British and Americans persist in the argument that if these two countries are brought within the scope of the treaty, Japan proper also should be included, in view of the declaration of Hughes reported in your cablegram No. 179 that he did not oppose the exclusion of Japan proper, it is desired that Australia and New Zealand be not included within the scope of the agreement and also that Japan shall be excluded together with them.

You will carefully note the foregoing, and, with the statement that you have received instructions from your government, you will, in a proper way initiate negotiations with the delegates of the interested powers. In case, however, the situation is that it is quite impossible to have such negotiations today when the signing of the treaty has already been completed, in view of the seriousness of the situation, it will be necessary to devise some eventual policy, and it is desired to know your views at once. After considering the situation please advise.

Urgent. ~~Very confidential.~~

Tokyo-Washington Conference No. 199.

December 17, 1921

~~Very confidential.~~

With reference to my conference cablegram No. 198, it cannot now be suddenly anticipated what turn the theoretical discussion of the question may take, or, as a practical question, by what real disadvantages to Japan it would be accompanied, but, in spite of the fact that none of the other countries entering into the agreement have their mainland placed within the sphere of application of the treaty, the mainland of Japan alone is included. Even if the mainland of Australia and New Zealand, which are practically in a defenseless condition, should be in-

cluded, it is very undesirable to have Japan proper, which is perfectly fortified, placed under the same category. From these points of view, it is absolutely impossible in view of the feeling of the Japanese people to admit the inclusion of the Japanese mainland.

It is to be especially noted in this connection that the plenipotentiaries from the other countries understand that the Japanese mainland is to be included. Besides, it is hard to tell whether explanations in this sense may not be brought out in the American senate, etc. If this were once transmitted to Japan, since the time for the convening of the diet is drawing very near, it must be expected that it would give rise to unexpected complications.

As according to your conference cablegram No. 179 Hughes stated plainly that there was no objection to excluding Japan proper and as the French do not appear either to have any strong objection to this point, the final decision depends upon what the attitude of Balfour will be. His principle concern was to have the mainland of Australia and New Zealand included and the Japanese government can by no means consent that the inclusion of Japan proper should form a part of such a provision. Accordingly, we leave to the discretion of Great Britain whether or not Australia and New Zealand shall be excepted from the application of the treaty, but we by all means desire to except Japan proper.

Needless to say, it will be very undesirable if, while the quadruple agreement is being drawn up, it should come about that its value were destroyed by an outburst of popular feeling in Japan. We therefore consider that it is extremely essential at this time to devise some eventual policy. This is the reason for the instructions we sent you in conference cablegram No. 198. After taking note of the foregoing, you will take every means to bring about the desired result. I make this suggestion again in view of the seriousness of the situation.

Conference
Tokyo-Washington, No. 226.

Washington-London, No. 728

Referring to our cablegram No. 199, according to your cablegram it appears

December? 1921 O
December 23, 1921 O

that the point of the sphere of application of the quadruple treaty has finally

come under discussion in public circles in the United States. Depending on what are the future developments of this question, the position of the American government authorities may become rather difficult and, after the disclosure in the

[Ed. Note. Possibly, Japanese] newspapers of the substance of the conferences among the plenipotentiaries of the four powers, if Japan proper should be excluded by demand of the United States or through a reservation by the United States senate, more and more undesirable results might be produced on popular feeling.

Therefore, before the question becomes complicated, you will now immediately secure an interview with Hughes and get his approval of the contents of our cablegram No. 198 and then have the United States and Japan jointly ask for an understanding with Balfour.

As mentioned above the Japanese delegates in Washington thought the whole problem sufficiently unimportant after listening to Hughes and Balfour as to be willing to let things stand as announced in spite of the orders from Tokyo. Kato and Shidehara report all this and try to explain away the doubts and fears of their own government December 23. They state the senate view that what Japan considers an inequality and a disadvantage is considered special privilege and unfair advantage; they emphasize that there is nothing preventing self-defence and that the closeness of territory and mainland really makes the distinction merely academic; and they pass off as unworthy of serious thought the idea that any four power conference would result unfavorably for Japan through the illwill and small-mindedness of the nations. Finally they beg that, unless there is a practical disadvantage in not pushing the matter further, they may be excused.

Referring to your cablegram No. 198:

1. It appears that there is room for two interpretations for the words "insular possessions". Considering the case of Japan, there is certainly good ground for arguing, in accordance with your opinion, that Japan proper is the main body itself of the Empire and not a possession, but there is also by all means some reason for saying that if Japan is considered as an incorporeal nation, Japan proper is a possession of our nation.

2. In Japan it is argued as a matter of dignity that it is offensive for Japan alone among the four contracting powers to have her main territory included in the scope of the treaty, but among United States senators it is considered an advantage to be included in the application of the treaty and they attack the American delegates for consenting to it because they consider it unfair to the other three powers to have Japan alone enjoy this advantage for its main territory.

3. Considering this matter as a case of the application of Article ^{III} ~~C~~ of the treaty, that article merely provides that, if the rights concerning territory of one of the contracting powers is threatened by the aggressive action of a third power, the contracting powers shall communicate with one another in order to arrive at an understanding as to the measures to be taken jointly and separately. There is no restrictive provision that before such consultation any country cannot exercise the right of self-defence, and as a matter of fact a threat against the main territory of any nation would be at the same time a threat against its possessions. Thus if America is threatened, American possessions must equally be threatened. Especially as concerns Japan, the main territory has close relations with Formosa and Sakhalin, and, if we consider it this way, the question of whether the main territory of a nation is excluded from the application of this article is merely a theoretical question. As long as the main territory of any country has possessions in the Pacific region, this article will naturally be applied, and as a practical question it does not appear that Japan alone is burdened with an unequal obligation.

4. The expression "rights in relation to their insular possessions and insular dominions" does not mean the rights which a power enjoys within these territories, but it means the rights which it possesses with relation to the territories and their things. During the discussion of this question Shidehara expressed this interpretation and secured an understanding of it from all. He asked whether in that case the rights mentioned in this phrase were absolutely identical with the "territorial rights" mentioned in the Anglo-Japanese agreement of alliance. Hughes replied that "territorial rights" was not a phrase with a definite meaning in international law. In general the rights mentioned in this phrase would be identical with "territorial rights", but it would be hard to say decisively that the meaning was precisely identical. In short, it would be proper to be content with an understanding that it indicated all rights which have a relation with the territories.

5. From your cablegram it is supposed that the Japanese government may have interpreted the question of whether an international controversy should be submitted to conference under the provisions of Article 1, Paragraph 2 to be a question which would be decided according to whether or not the point of origin of the controversy was an insular possession or dominion. This is not the meaning of this article. In order to be submitted to a joint conference of the four powers, a controversy must satisfy the two conditions of (1) being based on a Pacific question, and of (2) affecting the rights in Article 1, Paragraph 2 (which for convenience in the following exposition I shall shorten to "territorial rights").

With regard to the first condition, as was reported in an earlier cablegram, the meaning of just what facts can be called Pacific questions is not precise, but in any case there will be many questions which although they arise in the insular possessions or dominions in question still do not have the character of Pacific questions (thus a question such as that of a house tax would of course not be a Pacific question), and there will be questions arising outside of these territories which will have the character of Pacific questions.

(Balfour contemplated the case of important controversies arising on the open Pacific which does not belong to the territory of any country and said that it would be necessary to include them in the provisions of **this** article, but the phrase "Pacific questions" included such questions and satisfied him.)

Hughes and Balfour as an example of the application of this article brought up the case of a Pacific question arising in Canada. Considering such a case it was clear that Pacific questions did not mean questions originating in the insular possessions or dominions in question and this was sufficient to demonstrate that there was no fear of producing the result of imposing a special obligation on the main territory of Japan alone among the contracting powers.

With regard to the second condition for submitting a controversy to conference among the four powers, such a controversy must necessarily affect the so-called "territorial rights". To say that because a question affects the territorial rights of Japan proper, such a conference would invite an unfavorable situation for Japan would be based on the presumption that Great Britain, the United States and France all have ill-will towards Japan. In view of international relations as they are today, it cannot be believed that there is any foundation for such a presumption.

In short, there is no reason for anxiety that Japan alone has been placed in a disadvantageous position, because controversies fulfilling these two conditions can be submitted to a conference of the four powers.

6. According to your cablegram, it is your opinion that Australia and New Zealand should not be brought within the scope of application of this treaty and that Japan proper should also be excluded. Of course from our point of view there is no need of including Australia and New Zealand in the scope of the application, but from the point of view of those two countries, the inclusion of their main territory within the scope of application is the sole motive for their welcoming the treaty, and a proposal to exclude them would be quite impracticable. Balfour emphasized the point that, if the claim for the exclusion of Japan proper was based on the ground of the dignity of a nation which relied on its own power of self-defence, this would result in Japan interpreting the

inclusion of Australia and New Zealand in the scope of application of the treaty as giving them the guarantee of the treaty as a sort of favor because the two countries did not have strength to defend their main territories. This would hurt the vanity of the people of the two countries. Of course in reality the actual power of defense of Australia and New Zealand is not to be compared with that of Japan proper, but it was recognized that the British delegates were in a position where they could hardly publicly acknowledge this fact.

7. Evidently, in order to maintain entire equality among all the nations in the agreement, one plan of interpretation might be ^{that} ~~be~~ the American mainland bordering on the Pacific ocean could also be included in the scope of application of the treaty, but the continental United States faces both the Pacific and the Atlantic oceans and to split the main territory of the United States vertically by a treaty provision and leave only the bad-feeling States in the scope of the application of the treaty is a thing which will be quite impossible to do.

8. Viewed largely, at the present time when the four great powers which have territory in the region of the Pacific ocean wish in mutual confidence to join in an effort to maintain peace in that region, the inclusion of a special provision or understanding limiting the scope of application of their agreement would be inconsistent with the spirit of the agreement, and especially, if that provision or understanding implied mutual distrust and suspicion, it would be open to the objection of depriving the agreement of practically all its value. We therefore fervently hope that so far as there is no practical disadvantage to us, as has been described above, any action which would produce an impediment to the future success of the treaty will be avoided.

9. These are the views of this delegation. On receipt of your instructions we had another interview with the secretary of state the results of which will be reported separately, and later we shall have an exchange of views with Balfour.

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[In an interview between Charles B. Warren, the new American ambassador at Tokyo and

Yasuya Uchida, the minister of foreign affairs, the latter reviewed all the reasons to exclude Japan proper and added that the diet itself might refuse to ratify the treaty without a reservation excepting the mainland.

(space)

Tokyo-Washington, Conference No. 248.

December 27, 1921.

Referring to my cablegram No. 247 (Note. Not received),

In an interview with the American ambassador to Tokyo, the latter referred to the question of the extent of the application of the Four Power treaty and said that, according to newspapers, etc., this question seemed now to be more and more discussed both in Japan and America; but was it not a ridiculous question?

The minister of foreign affairs said that might be so, but for Japan it was a most important question. Probably it would be different if there were any necessity for putting Japan proper within the scope of the application of this treaty; but there was no such necessity. Strong opposition had risen in certain Japanese quarters over such unpleasant points as the following:

1. While the mainlands of the other contracting countries were not places within the scope of the treaty, the Japanese mainland alone was included.
2. Because the self-governing dominions of Australia and New Zealand were included, Japan was simply being placed in a position similar to this.
3. Japan could herself attend to the matter of the defense of Japan.

In the American senate also there were those who opposed the inclusion of the mainland of Japan. When it came to ratification of the treaty by the senate, it seemed difficult to tell whether that body might not make a reservation on this point. In Japan too it was difficult to say whether, when the matter was referred to the privy council, that body might not append a reservation. Then again, the diet was in session now, and much public controversy was growing out of this question. The position of the Japanese government was therefore a difficult one indeed.

The ambassador listened to these words as though he agreed.

(Spec.)

In America Hughes and Balfour were adamant for the inclusion of Japan until the very end of the discussion. From the very first, on December 8, they had insisted that it be included ^(first) (as we saw in No. 179 in the last chapter.) Balfour was surprised that the national feelings would be hurt, for Japan proper had been included in the Anglo-Japanese alliance. Moreover, he claimed that both Australia and New Zealand would resent the omission of Japan and consider their own inclusion a reflection on their ability to protect themselves.

Hughes clung to the treaty as signed, in spite of Shidehara's plea after receiving further instruction from Tokyo, on the grounds that a complete change would jeopardize ratification in the senate. He should have known by then, that only a change would save ratification.

(Spec.)
Washington-Tokyo, Conference No. 277, December ²³ 1921₀

~~CONFIDENTIAL.~~

On December 19, Shidehara called upon the secretary of state. He pointed out first that a part of the American senate and press are launching an attack, saying that if the correct interpretation is that the treaty applies to the Japanese homeland, it is undesirable in that it unduly favors Japanese interests and defence. He said likewise that he thought that to place within the application of the treaty the homeland of Japan alone among the four powers participating in the treaty was contrary to the dignity of Japan and unfair. He cited the fact that the inclusion of the Japanese homeland had caused trouble equally in Japan and the United States from diametrically opposite points of view. As an argument of textual interpretation, he repeatedly explained that he was convinced there was sufficient basis for interpreting the phrase "insular possessions" as not including the Japanese homeland. He went on to say that a revision of the interpretation to the effect that the Japanese homeland should be excepted would enable both Japan and the United States to avoid unpleasant

discussions and would therefore ^eby an aid to this country in furthering the ratification of the treaty. A double advantage would thus be gained.

Hughes, in replying, first earnestly explained his views about the general phases of the question to the same effect as stated in the first part of heading No. 8 of our cablegram No. 276. He then said that as a matter of fact he could not imagine what disadvantages the inclusion of the homeland of Japan would entail in that he felt on the contrary that such a course would be advantageous to Japan. Moreover, from the point of view of the United States alone, whether or not the Japanese homeland was ~~excepted~~ ^{excepted} American interests would not be affected, but the point of view of the British delegates regarding Australia and New Zealand also had to be considered. It was besides impossible to avoid criticism by some American senators of any treaty whatsoever and he himself had heard that there was a faction which was opposing the inclusion of the Japanese homeland within the application of the treaty, but he did not place weight upon arguments which did not consider the general situation. He did not doubt that in the end the treaty would be ratified in the senate by a large majority.

Shidehara replied to this that all he was asking was that it should be made clear that as a mere question of interpretation, this phrase "insular possessions" did not include Japan proper. A few days ago, during the negotiations regarding this matter, the Japanese delegates had relinquished their claim for the exclusion of the Japanese homeland and of course they did not mean to repudiate this now, but since then discussion had arisen in certain circles both in Japan and the United States which could not be ignored. He said further that he felt that one plan might be to modify the interpretation by a new understanding between the American, British and French delegates.

As for the question of Australia and New Zealand brought up by Balfour, there would be a special method of dealing with this. He and his associates ^{as} merely wished to make clear that the Japanese homeland was not included

under the natural interpretation of the term "insular possessions". That Australia and New Zealand come within the application of the treaty was not because they come under the heading of "insular possessions", but because the treaty applies to "insular dominions". Therefore he understood that the question as to whether or not the Japanese homeland was "insular possessions" had nothing to do with Australia and New Zealand.

Hughes said that this certainly was a strong point and assented to it. Then Shidehara explained that he did not care about abstract criticisms brought up by members of the American senate relative to the provisions of the treaty, but that the charge made in connection with them that Japan was receiving undue advantages from the treaty could not be overlooked. Hughes replied that he quite understood his meaning and that in this connection he would consult Lodge and Underwood at once, ascertain the general attitude in the senate on this point, and then give him an answer.

On the twenty-first, Shidehara called upon Hughes by invitation. Hughes said that two nights before, Lodge, Underwood and Root had met and that they all had no doubt that this treaty would pass the senate. It was true that a certain faction of senators expressed the opinion regarding this matter that Japan was **receiving** unfair advantages, but such superficial arguments would be quite insufficient to affect public opinion in this country. Root had the most optimistic views. He hoped that the Japanese delegates would not feel offended, but a very important point was that if at this time the American government, fearing the criticism of a part of the senators, made a change in the interpretation of the treaty, such action would furnish still more pretexts to the group of senators in question and might lead to unexpected difficulties in the treaty ratification.

Before the result of the conference on the nineteenth between the above mentioned four American delegates was reported to the President, the latter said last night in replying to the questions of the newspaper correspondents, that it was his own personal opinion that the interpretation

was that the Japanese homeland was excepted. Late, however, hearing of the result of the developments in these negotiations and of the conference between the four American delegates, a denial of his interpretation was made public. As he had already said on several occasions, there was no danger at all of occasioning disadvantages to Japan in connection with the application of the treaty. He said that he earnestly hoped that Japan would not persist in the view that the Japanese homeland must be excepted. In short, the greatest value of the treaty lay in the spirit rather than in the wording. If the view that the Japanese homeland should be excepted should give rise to a rumor that there was a divergence of opinion about the treaty among the four countries, he said that he entertained grave fears about the future prospects of the treaty.

Judging from the above ^Ccircumstances, the fact that the President inadvertently gave the interpretation that the homeland of Japan was to be excepted has unexpectedly given rise to complications. A denial of this interpretation has already been published and it is conjectured that a denial of this retraction is impracticable out of consideration for the prestige of the President, and of the policy of the American government toward congress.

A clique in the senate is already using this issue to attack the President and the American government and they announce that they will ratify only with a reservation excepting the Japanese homeland. On the other hand, it is reported that the Chinese are dissatisfied with the present quadruple agreement and are secretly beginning a movement opposed to ratification.

With reference to the real issues of this question, the opinion of the delegation is contained in our cablegram No. 276. Even if the Japanese government considers it necessary to incur the danger of jeopardizing the future prospects of the treaty and at any cost to devise some plan whereby the Japanese homeland may be excepted, in our opinion the present is not a favorable time and it is essential that we wait a while for new developments in the situation.

The day before Christmas Balfour gave his consent to the interpretation of insular possessions to exclude Japan proper, provided it cast no reflection on Australia or New Zealand. He considered the whole matter one of little consequence and was surprised that Shidehara was so worked up over it.

(page)
Washington-Tokyo, Conference No. 288.

December 26, 1921.

~~Very confidential.~~

Referring to the last part of our cablegram No. 277, Shidehara called on Balfour on December 24, and referring to the question of the quadruple treaty explained that the inclusion of the main territory of Japan in the application of the treaty had caused dissatisfaction in both Japan and the United States from diametrically opposite points of view. He said that it was quite impossible for the Japanese government to ignore the popular feeling opposed to this inclusion of Japan proper and reported in detail his interview with Hughes which was reported in our cablegram No. 277. He said that these were the reasons he had thought it proper to communicate to Balfour an unreserved statement of this situation.

Balfour thanked him for the information and said that he had not yet heard anything about it from Hughes. He said that, after all, the question of whether the main territory of one nation was to be excluded from the application of the treaty was merely an academic question. The dignity or practical interests of a country would take no harm from it. Great Britain would gladly consent if there were any way to include its main body. He himself as the representative of the British Empire had not the least objections to any way in which the question of the exclusion of Japan proper might be settled so long as it did not have a bad effect on the international position of Australia and New Zealand.

Shidehara said that considering this matter as a simple question of

the interpretation of the phrase "insular possessions", it could not be said that any prejudicial effect would be produced on the international position of Australia and New Zealand. There was no room for doubt that they were insular possessions of the British Empire. This had nothing to do with how "insular possessions" was interpreted.

Balfour said that he understood. He hoped that the Japanese and American authorities would determine some proper plan of interpretation and he would have no objection to anything. It would be infinitely regrettable if a controversy on so comparatively insignificant a matter should produce any impediment to the accomplishment of the lofty purposes of the quadruple treaty. From the point of view of Japanese feelings, it was contrary to the dignity of the nation to include the Japanese main territory and it would also be contrary to its dignity if some other nation should wish to exclude Japan proper. He understood that the position of the Japanese government in this connection was very difficult.

In reply to Shidehara's inquiry as to what he thought about the prospects for the ratification of the treaty by the United States senate, Balfour replied that, as he had not read the newspapers from day to day, he did not know what they had said regarding the situation. He had heard from several Americans that there would be rather strong opposition to ratification in the senate, but it was a question how true their information really was. If, as had been said, Hughes had told Shidehara that Lodge, Underwood and particularly Root were optimistic, he thought that there was of course nothing to do but to trust their judgment.

In conclusion Shidehara asked whether the British government would proceed immediately with the formalities of ratification later when an authenticated copy of the text of the treaty had been transmitted by the United States.

Balfour replied that he had not yet thought of this point, but as farⁿ as concerned Great Britain alone it might be the best policy to ratify it immediately. As the British house of commons is now in recess, it was hard to forecast what action the British government would take.

Shidehara said that the question of the exclusion of Japan proper might occasion ratification by the United States senate with reservations, and to forestall this it would be absolutely necessary for Japan to revise the interpretation of the phrase "insular possessions". It was uncertain whether the American government would have any objection to such revision, and therefore it might be proper for the British ratification also to wait a while for developments in the situation.

Balfour replied that he was right. In any event he would consult with Geddes.

Judging from Balfour's conversation on this occasion he considers that the question of the exclusion of Japan proper is of no practical importance and is insignificant, and that he feels rather surprised that we attach importance to it.

(Japan)

When Hughes realized that Japan resented being assailed on the grounds that the Four Power treaty was devoted exclusively to her interests, he consented to permit the exclusion of Japan. His way out of the embarrassing situation was to have Shidehara send a letter asking for an appended agreement excepting "Japan proper." To this he promised to reply that he would not refuse if it were agreeable to the British and French delegates. And thus would make clear that it was the desire of Japan and that there was nothing inconsistent in the original interpretation.

(Japan)

Washington-Tokyo, Conference No. 297.

December 28, 1921.

~~Washington-Tokyo~~

On the occasion of the interview which Shidehara had with the secretary of state on December 27 at the latter's invitation, Hughes

said that Balfour had spoken to him about the question of excepting Japan proper from the ~~Four~~ ^{Four} Power treaty, and had told him in short that the Australian delegate had assured him there was no objection to excepting Japan proper; therefore the British delegation would state no objection whichever way this question was settled between Japan and America.

He went on to say that the fact that the British had come to take such an attitude as the above could be said to have produced an entirely new phase in this question of exception of the Japanese mainland; ~~and~~ on the other hand he had minutely sounded the opinion of the senate regarding the treaty, and, while he did not doubt that this treaty would pass the senate, at the same time he expected that, though the effect produced through this question of exception of Japan proper would not be such as to imperil the fate of the entire treaty, it could scarcely avoid becoming the target for discussion.

He had given special regard to the point of the opinion which Shidehara had stated, that it was difficult for Japan to endure being assailed on the ground that the ~~Four~~ ^{Four} Power treaty was devoted to the interests of Japan alone. As a result he had hit upon a plan for settlement, namely, Shidehara should send him a letter stating a desire to have Japan proper excluded, and he would send a reply to the effect that, if the British and French representatives agreed, there was no objection as far as America was concerned ^① ~~an~~ _{an} appended agreement to the ~~Four~~ ^{Four} Power treaty would be concluded on the basis of these exchanged notes. Thereby it would on the one hand be made clear that the excepting of Japan proper was based on the desire of Japan; ~~and~~ on the other hand it would be made clear that this was not a question of the interpretation of the words "insular possessions", but a newly appended agreement. Consequently ~~that~~ the censure of inconsistency could be prevented in regard to the explanation of the wording appearing in the treaty.

He had as yet spoken to no one else about this proposed plan. He thought he would first ask my opinion and, if I consented, he would consult

with others. He wished me therefore to state my opinion frankly.

In reply to the above Shidehara asked whether it would not be more desirable not to indicate in particular the Japanese mainland alone, but to use a general wording indicating that the mainland or main territory of each contracting country was outside the application of the treaty.

Hughes said that while he was not in opposition to the spirit of the above, if "mainland" or "main territory" were spoken of, misunderstanding would be apt to ensue. In other words, speaking of America, Hawaii was understood to be American territory and accordingly the question would arise whether or not this agreement included Hawaii. Speaking of Great Britain, many questions would arise as to what could be called "mainland" in a fair division of the British Empire. An appropriate formula would have to be devised again.

Shidehara promised to think it over carefully.

Report will be sent later as to the result of the investigation of the wording.

(space)

As it happened Balfour was much more worked up over how the people of Australia and New Zealand would feel over the treaty than those natives themselves. Tokyo immediately asked its Sydney representative to sound out opinion on the exclusion of Japan and was encouraged to persist in her wishes by the following cable:

(space)

Sydney-Tokyo, No. 154,

December 1, 1921.

Sydney-Washington, No. 10.

December 29, 1921.

Referring to your cablegram No. 60, there has so far been no comment in newspapers etc. either here or in Melbourne with reference to the sphere of application of the Four Power treaty. The only thing published about the sphere of application of the treaty was a cablegram saying that "there

was a difference of opinion among the Washington authorities, but the President approved the interpretation that the "apanese homeland should be included." This apparently did not attract general attention, but this afternoon there were one or two cablegrams from Tokyo and Vancouver about the attitude of the Japanese government and I dare say there will be more or less discussion on the subject later. Judging by previous developments, however, whether or not the original form of the draft of the Four Power treaty is followed, all the newspapers in their successive despatches unanimously welcome the treaty as a harbinger of world peace and especially interpret the cooperation of the four great naval powers as a tremendous boon to Australia. As the Japanese homeland was from the beginning supposed to be outside the sphere of application of the treaty, this point has not attracted public attention here to any extent. I suppose that a similar situation prevails in New Zealand.

1. Even though the Japanese homeland were excluded from the sphere of application of the treaty and Australia and New Zealand included, I do not think any considerable opposition would be aroused among the people. I cannot but feel that, in view of the advantages to be gained by the Australia of today after the establishment of the treaty, the consideration of the question solely as one of national prestige, etc. is confined to that small section of the people which desires to utilize it for political aims, and that the general view is that it is impossible to disregard its desirability. As you have been informed by successive cablegrams, I conjecture that the general trend of public opinion is that publicly expressed by Salmond, representative of New Zealand, namely, that the abrogation of the Anglo-Japanese alliance meets with approval; that they had been glad to have the protection of Japan during the war; ^{that} this alliance has not lapsed, but its spirit is being continued in the new treaty. There is no very strong feeling on this point.

2. Violent opposition would be aroused, however, for the reasons mentioned above, if together with Japan, Australia and New Zealand should be excluded. As there is a great deal of discussion about lightening the burden

thus obtained to promoting production and business enterprise, I venture to say that such a proposal would cause strong opposition from the thinking public.

I shall keep you informed by cable of any future change in the situation.

(space)
Short-spoken Lieutenant-General Kunishige Tanaka in a cable to General Yusaku

Uyehara, Chief of Staff, that expresses bluntly his fear that Japan is getting the short end of all Washington deals, sets forth his disapproval of the new Four Power treaty. He disapproved chiefly, because he thought it a point affecting national dignity. But most of all he was wroth, because through the whole agreement Japan had voluntarily given up its policy of development in the South Pacific and ^{because} ~~that~~ the field of development of the Japanese people had been limited thereby.

(space)
From Tanaka, Washington December 29, 1921.
To Chief of Staff, Tokyo Conference No. A 34.

4. With the establishment of the Four Power agreement, the United States has achieved the success of abolishing the Anglo-Japanese alliance which it hated; Great Britain by its crafty policy has acquired the sympathy of the United States without incurring the antipathy of Japan, and has had the success of making secure the position of Australia and New Zealand; ~~and~~ only Japan alone has bagged no game. The inclusion of Japan proper in the scope of the agreement can hardly be called a real benefit, but rather is a point affecting the national dignity. This point seems to have been advanced by Great Britain from its relation with Australia and New Zealand while the United States rather hoped for the exclusion of Japan proper. It is expected that, if there were no opposition on the part of Great Britain, the proposition that Japan proper should be excluded would succeed in the

In conclusion, through this agreement Japan has voluntarily given up its policy of development in the South Pacific and the field of development of the Japanese people has been limited thereby.

6. To sum up, as this conference advances, the spirit of America with respect to it becomes clear. In other words there is a feeling that it is step by step succeeding with its objectives of doing away with the Anglo-Japanese alliance which it dislikes, limiting the Japanese navy, cutting its power of maneuver in the Pacific, and expelling the influence of Japan from China and Siberia. This is very regrettable.

As long as the first object of this conference is to clear up all questions of dispute among the powers and to contribute to the maintenance of peace, Japan of course should display its sincere spirit of faithful cooperation in making the concessions which must be made, but along with this it appears very necessary to get an understanding with the powers concerning the area of the future development of our people. By the Four-Power agreement, however, the United States, Canada, Australia and New Zealand are absolutely barred. The conference is near its close, but so far I have heard of no positive plan about even any part of this matter. If the basis of failure in this conference is the conflict of races and the insufficiency of the national power of Japan, there is no use indulging in vain indignation, but being actually here and seeing the actual facts it is really impossible not say these things.

(opener)

Shidehara and Hughes arranged on December 31 to exchange notes for the exclusion of Japan. Shidehara assures Tokyo that the supplementary agreement, if ratified at the same time, will sufficiently modify the main body of the treaty that no objections can remain. The accusation that the Americans had signed a vague treaty would be avoided and every one would be happy. There only remained the final decision

whether an exchange of notes would suffice or whether a complete supplementary agreement would have to drawn up.

(space)

Washington-Tokyo, Conference No. 325

January 1, 1922.

~~Washington-Tokyo Conference No. 325~~

~~January 1, 1922~~

~~Washington-Tokyo Conference No. 325~~

~~January 1, 1922~~

Very Urgent.

1. At the end of an interview between Shidehara and Hughes on December 31 during which each acted in an entirely individual capacity in their exchange of views, it was arranged that Shidehara should afterwards in his capacity as ambassador give the secretary of state the document of which accompanying cablegram A is a tentative draft, and that the latter should send reply that so far as America was concerned there was no objection.

However, Hughes was made to understand that before the wording of this document could be determined, it was necessary to refer this first to the Japanese government and obtain its approval; that therefore the proposed draft was for the time being only Shidehara's private proposal, and would have to be revised by the Japanese government.

Please therefore send very prompt instructions.

2. According to your cablegram, the interpretation that Japan proper is included in "insular possessions" is left standing. You state that, if a new separate agreement is made for excluding Japan proper, "as the body of the Four Power Treaty included Japan proper in the scope of its application, it will be something once enacted, and accordingly the procedure of ratification

cannot be gone through". Nevertheless it is an accomplished fact that the four plenipotentiaries set their seal and signature to the ~~Four~~ ^{II} ~~Power~~ ^A treaty with the understanding that Japan proper was included in the scope of its application. Therefore of course we cannot now deny this fact.

On the other hand, the fact that validity arises through the deposit of the ratification of this treaty, is clearly specified in Article ^{II} ~~A~~. Therefore the agreement to exclude Japan proper should have been made of course prior to the procedure of ratification by Japan. (An authenticated copy was finally two or three days ago received from the secretary of state, and immediately mailed. It should reach Tokyo ⁴ to the end of January, but the idea is to conclude the agreement on exclusion within a few days.) This therefore is how the provisions of the agreement that Japan proper was to be included within the scope of its application will come to bear no validity whatever.

The circumstances will be that, for the signing and sealing of the treaty with the clear understanding that Japan proper was included, the responsibility rests entirely with the Japanese delegates, and the Japanese government took steps to nip in the bud the effectiveness of the provision in the treaty that was based on such an understanding as the above. Such being the case we believe there is no reason for any obstacle in your going through the procedure of ratification.

3. Hughes said that if this matter were to be explained by a revision of merely the interpretation of the words "insular possessions", it would to the American authorities appear as a confession that a vague treaty, the meaning of which could be taken in two ways, had been signed; it would afford a pretext for the opponents of the treaty in the senate, and make ratification difficult. He therefore did not give his consent.

Also, according to Hughes' explanation, he had asked Root, an authority on international law to look into the interpretation of the words "insular possessions", and the latter said he thought there was not the slightest doubt that the interpretation of these words by international law would

naturally include Japan proper.

4. At the interview with Balfour the same day, Shidehara gave him a private report of the tentative draft of the accompanying cablegram. He read this through and said he had no objection at all.

The intention is of course to talk the matter over also with the French plenipotentiary as soon as possible.

5. After the exchange with the American government of the document mentioned in No. 1 above, we wish to have it decided through an exchange of views between the representatives of all the countries concerned, (1) whether the question shall be settled through the exchange again of official drafts of this document between the British and French representatives, or (2) whether there be a short agreement, such as accompanying cablegram B which shall be separately appended to the Four Power treaty.

However, even if an agreement such as the one in accompanying cablegram B is signed by the four countries, it will be necessary, as a proof of the fact that the agreement came about through the initiative of Japan, to have an exchange of official drafts of accompanying cablegram A between Japan and America.

Washington-Tokyo, Conference No. 326. January 1, 1922.

Annex A. to cablegram No. 325.

Referring to the question of the applicability to Japan proper of the term "insular possessions and insular dominions" used in the quadruple treaty signed on December 13, 1921, I have the honor to inquire, under instructions from my government, whether there is any objection, so far as the United States is concerned, to the exclusion of Japan proper from the application of the term above quoted.

Washington-Tokyo, Conference No. 327. January 1, 1922

Annex B to cablegram No. 325.

The United States of America, the British Empire, France and Japan, through their respective plenipotentiaries, have agreed upon the following

stipulation supplementary to the treaty signed among them on December 13, 1921:

The term "insular possessions and insular dominions" used in the aforesaid treaty shall not be held to include the islands composing Japan proper.

(space)

Tokyo accepted the idea of an appended agreement January 4, but wished it clearly understood that the Japanese government had consistently opposed the inclusion of "Japan proper" from the very beginning.

(space)

Tokyo-Washington, Conference No. 281.

January 4, 1922

~~Tokyo-Washington, Conference No. 283~~

~~January 4, 1922~~

Urgent. ~~Emergency~~.

Upon receipt of your conference cablegram No. 325, the Japanese government gave it exhaustive study.

1. It has finally been decided to take the appended agreement given in your conference cablegram No. 327 as the method of solving this question, and it is considered most appropriate to have it clearly stated that this agreement possesses the same validity as the treaty itself. Please therefore take the necessary steps.

2. According to 2 of your conference cablegram No. 325, because it is an accomplished fact that the plenipotentiaries of the two countries signed the treaty with the understanding that the Japanese homeland was included, there is nothing else to do but to leave this point standing as it is; and through this separate appended agreement, the effectiveness of the provision in the treaty based on this understanding is nipped in the bud, - there being thereby no obstacle to the procedure of ratification. This is so, but, as you know from our former instructions, the Japanese government's intention was to place the Japanese homeland outside the scope of the application of the treaty. Con-

sequently so far as the Japanese government is concerned, until it is made clear that this had consistently been the idea from the very start, it will be difficult to go through the procedure of ratification.

Please therefore bear this in mind, and in order to make the note to Hughes, given in your conference cablegram No. 326, concur with the proposed draft of the above-mentioned appended agreement, see that revision is made as in our accompanying conference cablegram No. 282 (Note. Not received.)

Tokyo-Washington, Conference No. 283.

January 4, 1922.

Referring to our cablegram No. 281, it is hardly to be expected that through later developments this matter will not become a political question and make the ratification of the treaty difficult. The Japanese government had consistently adhered to the exclusion of Japan proper, but it happens that a question of interpretation has arisen, and unless there is a separate agreement making the meaning clear, the ratification will be impeded. You will ask Hughes to understand the position of the Japanese government and not to express opposition to it, but if, from considerations of relations with congress, etc., it should be necessary for the American government to explain the facts as they were at the time of the signature of the treaty, the Japanese government will have no objection. In short this contretemps is an unavoidable situation produced by the difference of the positions of the two governments. You will explain this exhaustively and make every effort to secure an understanding with the other side.

(space)

The importance of words and shades of meaning of similar expressions is clearly demonstrated in the discussion of the phrasing of the appended agreement. "Shall not be held to include" connotes and implies that things were settled and it is necessary to change their meaning, or it is a frank confession of a vague treaty. On the other hand "shall not include" means just a definite interpretation. That is what is known as diplomatic straddling of the issue, to please everyone.

As in the discussion over the status quo article in the Naval treaty, Shidehara

would not permit the Americans to enumerate the islands of Japan proper or define it

by latitude and longitude. He preferred rather to note those outside of "Japan proper."

(State to follow cable)

(Ogasawara^{is} one of the Bonin islands, east of the Loochoos which are south of Japan.)

(The Chishimi are the Kuriles north of Japan.)

(space)

Washington-Tokyo, Conference No. 424.

January 15, 1922.

Very Urgent. ~~Very Urgent.~~

The question of the area of application of the ~~Four Power~~ ^{Four Power} treaty was referred to once or twice by Shidehara during chance encounters with Hughes, but both had their days and nights so filled with work that no opportunity was found for close conversation.

Finally on January 14 an interview was held at the state department.

Shidehara began by presenting the proposal in the accompanying cablegram as the proposed treaty annex, after which an exchange of views was effected as follows:

1. Hughes said that since the presence in this text of "shall not be held to include" clearly showed that the interpretation of the words "insular possessions and insular dominions" was settled, it would constitute an open avowal that words had been used in the treaty of so ambiguous a nature that it was possible to interpret them in two entirely different senses. He repeated the opinion expressed before that this would afford a pretext to the opponents of the treaty and would exercise a bad effect in the American senate on the decision as to ratification of the treaty.

Shidehara said that Hughes' views placed the Japanese government in a very difficult position, and he explained in detail the facts of your cablegram.

Hughes listened sympathetically to this explanation, then said that both ourselves and he had fallen into unexpected difficulties. In other words, if

the policy were followed of determining the interpretation of the treaty text, it could not avoid bringing on trouble in the ratification decision of the senate; again, if the policy were followed of excepting the Japanese mainland by a new annex to the treaty, it would obstruct ratification procedures in Japan. How would it be to take a middle course between the views of the two sides, and revise "shall not be held to include" to "shall not include". Perhaps if it were simply said that the words "insular possessions and insular dominions" did not include Japan proper the interpretation of the wording would appear definite; and on the other hand it would also be definite that Japan proper was ^{clearly} ~~excluded~~ from this agreement. Through such a middle course and by using due discretion on the part of Japan and America, it would only be hastening ratification in the two home countries.

Shidehara said he thought there was considerable reason in Hughes' proposal, and promised to give it further study.

Hughes then drew attention to the words "islands composing Japan proper". He said that heretofore he and others had not even in their wildest fancies thought of such a remote island as Ogasawara, for example, as a part of Japan proper. This point had recently come up in connection with the question of naval defences. Great surprise had been occasioned on first hearing the explanation of the Japanese. He was afraid there were few in all Europe and America who would understand that a distant island such as Ogasawara was included in Japan proper. Of course it did not concern America's interests whether or not the island of Ogasawara or the Loochoo islands were included in the sphere of the application of the ^F ~~four~~ ^P ~~power~~ treaty. It was only feared that it would create misunderstanding on the part of the public in general. The use of the words "Japan proper" in a new annex to the treaty today, when discussion had already arisen once in connection with the question of naval defences, would certainly again provoke public controversy. In the new agreement it was necessary to make careful choice of words which would not occasion doubt on a single point in the matter of actual application. One proposal to this end was either to enumerate one by one the names of the islands comprising Japan proper, or to

define the limits of Japan proper by latitude and longitude.

Shidehara replied that any procedure such as enumerating the names of the islands of Japan proper would be an unnecessary addition of voluminous provisions and was therefore impossible; also the proposal to define the limits of Japan proper by latitude and longitude would only sting the national pride the more, and it, likewise, could by no means be done.

Hughes assented to this. He said that that on which he place^d particular importance was the use of clear wording which would prevent any misunderstanding on the part of the general public. He hoped Shidehara would make some suitable proposal in the matter of such wording.

In regard to the text of the annexed agreement in question which we must send to Hughes, prior to its submission for discussion by the chief plenipotentiaries of the ~~four~~^{F P} powers, Hughes gave assurance that he had no objection to it, aside from the necessity of amending it so that the wording of this annexed agreement given in my accompanying cablegram would agree with your conference cablegram No. 282 (Note. Not received).

As a result of the above conversation with Hughes, we delegates have been studying the text carefully and think there will be nothing else to do but to revise the text beginning "the term insular possessions and insular dominions used in the aforesaid treaty" and ending "Japan proper", in one of the two ways noted below.

Proposal 1. "Shall not include the four main islands of Japan proper".

Proposal 2.

"Shall in its application to Japan include only ~~Sakhalin~~^K, Formosa and the Pescadores group and the islands under the mandate of Japan."

Of these, proposal 1 places Chishima², Ogasawara island, the Loochoo islands, etc., in the same sphere of treaty application as Hawaii, the Philippines, Australia and New Zealand. Consequently it is hard to say whether it will suffice to remove entirely the dissatisfaction voiced by some of our people. Yet the wording is concise and there will as a matter of fact be no reason for anxiety

hand there will be occasions when it will prove advantageous to us.

Proposal 2 has Japan alone specify the sphere of treaty application, and therefore on the surface is somewhat offensive. Yet we believe it will suffice to satisfy public opinion among our people from the point that the whole of Japan proper is excluded.

Please cable instructions again in regard to this point.

(space)

Six days later Tokyo selected the agreement favored by Shidehara.

(space)

Tokyo-Washington, Conference No. 344.

January 21, 1922.

Urgent.

(double space)
Referring to the last part of your conference cablegram No. 424, we must consent to bringing the conversations to settlement by proposal No. 2 (the proposal enumerating the limits of application). Please bear this in mind, therefore, and settle the matter once.

(space)

The supplementary note in its final form is given in Appendix VI along with the text of the American note sent to Holland and Portugal, in Appendix VII, one of the identic notes sent to those countries by the other signatories of the pact, thus extending the protection and advantages of the ^F~~Four~~ ^P~~Power~~ treaty to these lesser powers.

Poor Italy got left out all the way around. As soon as Italy got wind of the ^F~~Four~~ ^P~~Power~~ pact she asked if there were not some way she could be included. Hughes and Balfour explained to Schanzer that it was not necessary for Italy to join, because she had no possessions in the Pacific and that this was strictly a Pacific affair. Schanzer was inclined to let the matter drop, but the home government was not. Consequently at intervals

the Italian delegates would descend on first one and then another of the ~~Four Powers~~ and ask each to use its influence with the others in Italy's behalf. The Italian ambassador at Tokyo, Baron Carlo Aliotti, pursued Uchida with his requests.

Washington-Tokyo, Conference No. 300.

December 29, 1921.

~~Washington-Tokyo, Conference No. 300.~~

~~December 29, 1921.~~

Upon the occasion of the interview with Balfour mentioned in our conference cablegram No. 299, Balfour said that the head of the Italian delegation had called upon him the night before with reference to the inclusion of Italy in the ~~Four~~^WPower treaty and that a very disagreeable conversation had taken place. In spite of the fact that the Italian delegates had received a confidential copy of the text before the publication of the treaty and that they had expressed their acquiescence, Italy was no^w strongly pressing for admittance. This he imagined was due to instructions received from their government, but it was needless to say that he sympathized with the exclusion of Italy from the present treaty. He then turned to Shidehara and asked whether he had any plan.

Shidehara referred to the conversation of the Italian ambassador with Your Excellency, mentioned in your conference cablegram No. 221. He then expressed sympathy with the point of view of the Italian plenipotentiaries, but said that as a practical question he could not imagine why Italy should be included in the treaty. Italy had no possessions in the regions of the Pacific, and therefore none of the provisions of the treaty applied to Italy. He said that it was his opinion that unless the treaty were entirely revised and placed upon an entirely different basis, there was no question of having Italy included.

Balfour expressed his concurrence with this view.

Washington-Tokyo, Conference No. 439.

January 17, 1922.

In regard to your conference No. 221 and my conference No. 300, when Shidehara had an interview with Hughes on January 14, he inquired the views of

the American government in regard to the question of the entry of Italy into the ~~Four~~^F~~Power~~^P treaty.

Hughes replied that he had recently heard from Balfour that Shidehara and Balfour both believed Italy's entrance impossible. He, too, thought that it would be difficult to have Italy enter from the consideration that Italy had no possessions at all in the region of the Pacific.

We therefore think that this matter will not come up again.

(space)

The Netherlands was more fortunate. Whether by intention or chance Foreign Minister H. A. Van Karnebeek approached the matter in a little different way with the result that, though he did not get included in the treaty any more than did Schanzer, he did get a note from the contracting powers to respect his colonies. As soon as the agreement was announced he let it be known that the Dutch would be disappointed and his position would be perilous unless Holland received a definite guarantee concerning her Pacific possessions. His idea was to draw up a ~~nine~~^{nine}~~power~~^{power} treaty identical to the ~~Four~~^F~~Power~~^P extending its guarantees to the Far East as well as including those of the Pacific.

Though he received little or no encouragement from any of the co-signers, he persisted even to the extent of drawing up his proposed agreement and presenting it to Root. When Tokyo saw it, she thought the whole thing superfluous, unfair to Japan, and definitely weakening to the concluded pact. She wanted it opposed at all costs. Karnebeek substituted an exchange of notes when he saw that his nine power idea was not feasible. This was accepted as a happy compromise.

January 3, 1922-

~~Tokyo-Washington, Conference No. 331~~~~January 3, 1922~~~~Washington-Tokyo, Conference No. 331~~~~January 3, 1922~~

Karnebeek, chairman of the Dutch delegation to the conference, understands the circumstance of the Four Power treaty made to replace the Anglo-Japanese alliance, and while not proposing to enter into this treaty, he thinks that if Holland, with her important possessions in the Pacific, does not formally receive some guarantee from foreign countries in regard to these possessions, the people of Holland will be disappointed and the position of the foreign minister will be endangered; ~~and~~ therefore he wished to conclude a treaty at this time which will include Holland.

After the signing of the Four Power treaty, he lost no time in explaining these views to the Japanese delegation, and sounding our opinion. His plan at the outset was to have an agreement to respect territorial rights in the regions of the Pacific and the Far East concluded among the powers attending the conference.

When Karnebeek called on Shidehara in regard to this, the latter stated as his individual opinion that:

1. Respect of territorial rights was a point already provided for in the League of Nations compact. Accordingly by an agreement entered into by the nine participating countries, the only advantage accruing to Holland would be from America, the one non-member of the League.

to
2. Was it not/be feared that to obtain a guarantee from the Allies in regard to the Dutch East Indies would give the people of Holland an impression that the Dutch Indies were being placed in the same position as China?

Karnebeek, nevertheless, on the growth of sentiment at home, did not abandon his original views. On December 31, changing to meet Shidehara, he said he had something he had drawn up by consulting with Root, and he gave a private report of the plan given in our accompanying cablegram. On that occasion Karnebeek explained:

1. Italy has no possessions in the Far East, yet to be excluded will touch the national pride of the Italian people, and she is therefore admitted from the standpoint that "through her nationals she possesses interests in the Pacific".

2. Since with respect to China there is a plan whereby a separate agreement or announcement is made in regard to respect of territorial sovereignty and other rights, China is left out in order to avoid repetition.

It is as yet uncertain how this question will develop, but we suppose that sooner or later it will come up as a question in the conference. Please therefore reply with your views at once.

~~Please forward this and the accompanying cablegram to all Ambassadors in Europe and the Ministers at The Hague and Madrid. (Note: On London copy)~~
Tokyo-Washington, Conference No. ? *January 11, 1922*

Urgent.

Referring to your conference No. 331.

As you know, Holland has, with respect to the Dutch East Indies, a sort of feeling of apprehension toward Japan, and on that account will desire the establishment of this entente. Accordingly we think Karnebeek is making this proposal from the standpoint of the state of internal affairs at home.

According to his proposal, such countries as Italy and Belgium that have no possessions in the Far Eastern Pacific will also be made to participate, and if the homeland of Japan is made to be included in the so-called territorial rights of this agreement, Japan would seem in the agreement to be seeking a guarantee for the safety of her homeland. This is not only unpleasant, but the enactment of such an understanding will naturally weaken the force of the ~~Four~~^{ing} Power treaty. (Even if the American homeland is also included in this understanding, America's relations will in effect be very weak). The Japanese government therefore cannot desire the enactment of this understanding.

Moreover, not only do we believe that Great Britain and America have not as yet treated this matter seriously, but also it is hard to say whether

perhaps this question may not end in not coming up at all, since Karnebeek himself is on the point of leaving for home.

However, please watch developments very closely and do all you can to keep the agreement from being enacted, and at the same time report by cablegram whenever there are new developments concerning it.

Washington-Tokyo, Conference No. 443. January 17, 1922

~~Revised to London as cablegram No. 44.~~

In regard to our cablegram No. 331, Shidehara in an interview with Hughes on January 14, inquired about the development of the proposed agreement desired by Holland.

Hughes said he had explained to Karnebeek that there was no hope at all that the proposed declaration first presented by Karnebeek would pass the American senate. Then the day preceding Karnebeek's return home the latter had called on him and stated that he hoped that the representatives of the ~~four~~ ^{four} powers at the Hague would send to the Dutch government a note similar to accompanying cablegram No. 444. Hughes did not himself think such a note as this particularly necessary or advantageous, ~~and~~ ^{but} still it was nothing to be objected to; likewise he felt there should be sympathy for Karnebeek's position also. Therefore he was inclined to be sympathetic to the proposal.

Furthermore on January 16 Shidehara chanced to meet Hughes, and the latter said to him privately that he thought it would be fitting to change the words "forestall any conclusion" to "to prevent any inference".

This matter will also be brought up later on by the delegate from Holland.

We therefore ask you to cable your views immediately.

(spec)

Tokyo got what she wanted this time, but only after a hullabaloo that might have very well been avoided if Balfour and Hughes had stopped to think when the question first came up December 8. Tokyo had ordered the omission of Japan proper December 6. Therefore

Kato and Shidehara on the eighth did their best to have it clearly understood that Japan proper was excepted.

When Shidehara had presented his arguments, Hughes was inclined to grant an explanation to that effect in a supplementary note, until Balfour raised his objections to such a note. To the American and Englishman it seemed such a minor and unimportant matter that the Japanese were just making a mountain out of a mole hill. This time the Japanese saw more clearly of the three. Realizing that they felt as they did about it, Kato and Shidehara could not very well refuse to sign the treaty on such slight terms, especially when Hughes was pressing them for a hurried agreement in order to have something definite to put before the assembly as a worthy achievement of such long conferences. Nevertheless they should have let it be known that their government insisted on this point, even though they could not use the government's favorite argument, - that of unfavoritism in possible decisions.

The chief opposition then came first from Balfour on the grounds that Australia's pride would be hurt. Australia's skin was thicker than Balfour imagined, for she was quite indifferent about the whole matter. It was the Japanese who were thin-skinned and liable to be offended at the slightest breath, if Uchida's interpretation of public reaction can be trusted.

Balfour and Hughes saw that Japan proper was four islands and insisted that logically they must be included in the interpretation of the treaty terms. The British legal author-

ities and the French ambassador agreed with Japan. Yet it was the hasty opinion of two ~~of~~ of the delegates that triumphed. And once announced the damage was done. The bugbear of consistency entered. Hughes could not back down.

If he had only done that, when the matter was first pointed out to him, ^{there} ~~that~~ would have been a flubbub, but would ^{there} ~~it~~ have been any greater than there was, especially if he had announced "only Balfour wanted the inclusion in the first place, the Japanese didn't ^{to} ~~it~~ But to save himself the accusation of drawing up a vague shallowly-thought-out treaty and the acknowledgement of persisting in the face of commonsense, he did just that, persisted in the face of commonsense and jeopardized the ratification of the treaty in the senate.

The honors in the joust over the Four Power Pacific treaty certainly don't belong to Hughes, though he succeeded in winning the inclusion of France against the wishes ^S ~~of~~ of both Japan and England. That "boner" rules out Balfour likewise. And so Kato and Shidehara may divide the wilted laurels between them.

12. Find the Villain (484-539) (45) (35)
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Part IV.

The Pacific and Far Eastern Conference .

Chapter 11.

The Door Stop.

Though America considered naval limitation the most important part of the conference, after all, only three nations were directly and most intimately concerned with that part of the agenda. The majority of the nine nations present were far more deeply interested in the peaceful and amicable settlement of affairs in the Pacific and the Far East, for reasons of economics and finance as well as for any altruism that might have been in their hearts.

There were any number of problems to be settled concerning that turbulent new republic of China, all of them affecting in one way or another the foreign nations who assembled in Washington, November 12, 1921. As early as July 13, the day Tokyo accepted America's invitation to the armament half of the program, Japan expressed her willingness in secret messages to her ambassadors in London and Washington to discuss such safe generalities as the territorial integrity of China, the open door, equality of commercial opportunity and the like, but two days later she made it clear that she would avoid any examination of accomplished facts or questions pending solely between Japan and America, or Japan

and China, such as Manchuria, the Twenty-one Demands, or Shantung. And on July 20 she asserted that she had no objection to working whole-heartedly with China for the restoration of their customs collection and tariff autonomy, and for the abolition of their extra-territoriality. ^(First) (For texts of these messages, No. 286, and 436 see *ibid*, Pages 287, 291; ^{and No.} ~~but~~ No. 321, 446, see Chapter II).

A bird's eye view of what the thinking people of China wanted and expected from the Washington conference: namely, withdrawal of consular courts, the abolition of spheres of influence, and the restoration of customs; a view of the chaotic state of the country as the resident foreigners saw it, and the preliminary reforms they considered necessary is set forth in a press summary sent out from Tokyo the last of August. There ~~was~~ had been unofficial talk in America and other quarters that the salvation of China lay in an impartial administration, economic and political by an international board, until certain crying reforms were accomplished and the Asiatic government sufficiently unified to carry on.

^(Japan)
Tokyo-Washington, No. 258.

August 21, 1921.

Following is a summary of Chinese press discussion since the proposal of the Pacific conference.

Part of the Chinese vernacular press have taken a violent attitude and published articles demanding the withdrawal of the institution of consular courts, abolition of spheres of influence, the restoration of the customs, etc., and have displayed also a violent attitude towards Japan, but, although articles have been seen which argued that the Shantung question should be presented at

the Pacific conference or that action should be taken at this conference to restrain Japan, in general the editorials have a calm tone and it is not expected that they will break out in such an uproar at the time of the conference.

In fact there have been numerous articles lately deploring the state of China and warning of the great influence which may be exerted on China by the results of the conference. This tendency is becoming more and more conspicuous. Generally it is argued that if China does not present national unity towards the outside, and the contention for power does not cease, the opportunity for the restoration of the sovereignty of China afforded by the proposal of the Washington conference will bring no good fortune to China. Only if China speedily ceases its domestic disturbances, unites as a nation, establishes a constitution, and resolutely restores peace, will there be any hope of benefits from the Washington conference. If China should go on without reforming its political affairs and should continue its wars, it cannot be differentiated from the Balkan countries. It must then be expected that a proposal for the administration of China may be brought up in the Washington conference. There are many such pessimistic articles warning the people.

When the Public Ledger article advocating an international administration was reported, at first everybody kept silent about it, and there was a tendency to regard it as a sort of fabrication; but gradually there has grown a tendency to consider it seriously, and the argument is seen that, in order to avoid this plan, China must be completely prepared and, to avoid the evil of an international administration, China must request [Ed. Note. Possibly, maintenance of] the open door.

When we look to the English-language newspapers for the opinion of foreigners in China, there are some violent attacks against Japan, but there are many articles which attempt to censure the past aggressive policy of Japan, but which say that the coming conference gives Japan a capital opportunity to make a clean sweep forever of the calumnies against her and that if Japan will base her policy on new principles, it will increase the friendship of the world and receive one of the

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splendid results of the conference.

The English-language newspapers are generally pessimistic about the present situation. They say strongly that on the basis of the disunification of the country, and the state of confusion of peace and order in the country, China is not qualified to have a voice in the Washington conference on an equal footing with the foreign powers. They repeat that the pressing duty of the Chinese is not to follow vainly after visions of the improvement of vague rights, but speedily to abolish the militaristic tuchun system, to reform the army, establish a constitution, stimulate the rise of a moderate popular opinion, and work to unify the country.

(space)

The Chinese would have been very much interested in knowing where the material of that article in the Philadelphia Public Ledger by Frederic William Wile, Washington correspondent, originated. Japan was not the only nation that thought Manchuria was her special province for economic development. Certain private citizens of different countries, one of them holding a position in the American cabinet and another an internationally known publisher of English journals felt that it would be wise to recognize openly the special interests of Japan in the provinces of China.

Frederick Moore was a public relations adviser attached to the embassy at Washington. Lord Northcliffe was the Hearst of England, the owner of The London Times, The Daily Mail, and The Evening News, and Hoover none other than the secretary of commerce who later became president. The English publisher introduced the idea to the cabinet member at an interview, possibly over the luncheon coffee, and the cabinet member struck with the cold logic of the proposition relayed it at a dinner party or a reception of some sort shortly afterwards at which there was present a newspaperman.

The following day the private secretary of the cabinet member approved the article as reported by the newspaper man and so the anonymous proposal appeared in The Ledger August 8. This was picked up by Asiatic papers and discussed with fear and trembling in Chinese and Japanese government circles. Neither desired international control, for each thought that China would be better off without it, and the latter knew that Japan would be better off without it.

These were the days when the agenda was undecided and rumors of varied topics flew thick and fast. And so it was natural that it should be considered a possible topic of the coming conference, and equally natural that the secretary of state, who was still hazy himself as just what would be undertaken, should deny it.

(space)
Washington-Tokyo, No. 488.

August 8, 1921.

~~W. L. Moore~~

~~August 8, 1921~~

Referring to my cablegram No. 487 (Note. A lengthy plain text summary of an article by Wile published in the Public Ledger of August 8), according to information procured from a certain source a few days ago by Moore, there is current within the American government the opinion that Inner Mongolia and Manchuria should be recognized as development territory of Japan. There had not yet been an opportunity to report this, and it had been left as it was, but today it is reported in a rather concrete form in the above-mentioned cablegram.

According to Moore, Lord Northcliff broached this opinion to Hoover in their interview the other day, and it appears that Hoover has brought it up in government

circles from this fact.

As soon as we have investigated further into this matter, we shall report.

Washington-Tokyo, No. 352.

August 17, 1921.

On the fifteenth the newspapers here published an Associated Press report from Tokyo of the fifteenth to the effect that the Japanese cabinet on the fourteenth discussed a plan for the international administration of China which it was reported would be proposed by the United States in the coming conference. A newspaper correspondent on the fifteenth took a copy of this report to the customary interview given to newspaper men at the state department and asked the secretary of state regarding the proposal for joint control. The secretary of state replied that no such proposal had ever been made nor had it been under consideration. I learned of these circumstances confidentially from a person who was present.

On the sixteenth the newspapers published the above denial regarding the previous report. The comment was added that although the question of Chinese railroads which are in part or in whole under foreign control might be taken up in the conference, there was no evidence that the American government had any definite policy in view in this matter.

Regarding the origin of the proposal for joint control mentioned in my telegram No. 487, I have since been told that two or three days before the plan was published in The Ledger, a certain cabinet member at a social gathering here explained to those present the urgent necessity of affording to Japan an outlet for the overflow of excess population and presented the Japanese viewpoint in a sympathetic manner, saying that while the United States and the British dominions prohibited Japanese immigration within their own borders, it was unjust also to oppose Japanese expansion in Siberia. Then, referring to the agitation and unsettled conditions in China, he expressed in an impartial way the views regarding joint control contained in telegram No. 487. Wile, who was present and heard this, sent the next day to the private secretary of the cabinet member a draft of his remarks for correction before publication, and, receiving this, sent it in for publication.

Previously also Lord Northcliffe made a speech during his stay here at a lunch-

eon given under the auspices of the Overseas Writers' Association, in which he expressed the necessity of allowing the Japanese an outlet in Manchuria and Mongolia for the overflow of population.

Although Wile was careful not to state which Cabinet member had made the statement, judging from the way he spoke, there are many intimations that Hoover was the one. In addition, upon the occasion of the interview some time ago between Moore and Hoover, the latter expressed himself in favor of reciprocal restriction of immigration, as contained in cablegram N°. 487 under headings 7 and 8.

Accordingly, putting two and two together, I am of the opinion that the originator of the Ledger's proposal for joint control is Hoover. The fact that the secretary of state denied that such a proposal had been made to newspaper correspondents I think may be due either to the fact that the proposal is still nothing more than the personal opinion of its advocates and has not yet been called to the attention of the secretary of state, or if not, to the desire of the secretary to avoid arousing Japanese public opinion in view of the opposition voiced in Japanese newspapers to the recent proposal.

(space)

As soon as China learned of the coming conference, Peking asked for an invitation, which she accepted July 13. She announced the twenty-fourth that she would work for the adoption of general principles. August 8, she agreed with alacrity to the date of the coming affair. Shortly afterward, we have seen, came the internationalization scare.

The Chinese Bankers association two months later October 9 issued a manifesto as a guide to the Pacific conference policy in which they stated the achievements they wished for China. There were six general principles: first, territorial integrity must not be infringed by concessions or preferred rights; second, any agreement between two nations about a third is to be null and void unless accepted by the third; third, if the first two principles are

accepted and spheres of influence abolished, China will hold open the door to international commerce; fifth, all diplomatic instruments hampering improvement in financial and economic administration should be cancelled; fourth, international financial cooperation will be sought if there be no interference with Chinese financial and economic development; and sixth, north and south China is a purely local political condition not affecting business or international affairs.

They stated further that they favored the four power consortium,. They wanted a unified railway plan under which foreign loan-holders should have only the right to audit. Moreover, they wished to employ foreign experts only when necessary and without discrimination. They felt that they should fix their own freight tariff and that police, not soldiers, should protect the right of way. Furthermore, no creditors of any railway should be permitted to interfere with the forests or mines along the railway. In return all railway receipts and expenditures should be handled by government appointed banks. The gold standard should be adhered to and the Chinese silver dollars should be the sole medium of exchange. Paper currency should be standardized and all issues of foreign currency should be stopped, - A noble plan, practically none of which was accomplished.

Weeks and months passed. The Peking delegates gathered at Washington despite the protests of the Canton government that the former were not competent to represent the whole of the Chinese nation. Only the provinces immediately surrounding Peking recognized that government. Fifteen or more refused to, they either were ruled by independent military

governors, or tuchuns, or supported Sun Yat-sen, president of the southern government at Canton. Yet none of them were recognized as supreme by the foreign countries dealing with China except Peking. Nevertheless Peking claimed nominal allegiance of the eighteen provinces and four dependencies that in her eyes constituted China proper.

On his way to the Washington conference, Colonel Ting-chia Chen, counsellor in war with Peking delegation, gave an interview in Honolulu that must have caused much amusement when it was reported back to Tokyo.

(APace)
Honolulu-Tokyo, No. 61,

October 7, 1921.

Honolulu-Washington, No. 38,

October 23, 1921.

The following is the substance of an interview between T. C. Chen, a military officer in the party on the way to the Washington conference, and Stapleton, newspaper correspondent.

Although as yet no cooperation was evident on the part of South China, if the cause of this were sought, it could plainly be attributed to Japanese intrigue in China. In other words, with the object of getting control of Manchuria and Northern China the Japanese were maneuvering to cause mutual antagonism between the provinces. The Japanese general ~~staff~~ ^{staff} acting on the tacit consent of the foreign office, was always attempting mischief of this sort.

alone

However, it was not Japan/that was devising various schemes in regard to China. Great Britain, France and Belgium were eager in wishing us misfortune. First of all, the tacit consent on the part of each of the great powers in Europe to the assignment to Japan of rights acquired from Germany was based on mutual agreement made by Great Britain and France with Japan. In other words, it was in order that Great Britain might get absolute control of Thibet, and France obtain sway over Yunnan and "Koosei".

Every power excepting America was trying to have complete jurisdiction in China by a method similar to that by which at the end of the Napoleonic wars each country took a slice of Poland.

China thought that, in order to check to a finish these secret schemes of foreign invasion and as long as she knew of further plans along this line on the part of those going to the Washington conference, there was nothing else to do but conclude an alliance with America.

Influential officials of the Peking government who were survivals of the days of the Empire were not true patriots. There were among them not a few corrupt men who through bribery had feathered their own nests. Although Sun Yat-sen was a true patriot and had rendered conspicuous service in establishing the democracy, a monarchical atmosphere still pervaded the whole of China.

Notwithstanding our² best efforts put forth to avoid an actual armed conflict, China today was the object of exploitation by Japan and every country in Europe. America was the only country in which we could place confidence. The lesson most sharply taught us by the Versailles treaty was that America did not exploit weaker peoples to her own advantage. Etc.

(Japan)
There were many spokesmen for the helpless giant, China; many who knew the nostrum she needed. Students, professors, advisers, unofficial and otherwise, analyzed her problems and policies in the American press before the convening of the conference November 12.

All of these needs and desires were aptly phrased by Ku-wei-chun, Chinese ambassador to London and delegate to the conference, otherwise known as V. K. Wellington Koo, in an interview shortly after the opening of the conference as a demand for rehabilitation of China, the development of her immense natural resources, and absolute political independence.

All the world was waiting to know what attitude Japan would take openly toward her

nearest and most important neighbor. This curiosity was satisfied indirectly November 15 in an official statement of what Nippon desired to attain in the Far Eastern conference: namely, free and peaceful development of commerce in the Pacific; Pacific support of the independence and integrity of China and the privilege of equal opportunity and open door for ^{the} commerce and industry of all nations; the withdrawal of troops from Kiaochow under terms satisfactory to Great Britain, the United States and China; recognition of Japan's special interest in Manchuria because of propinquity, investments and population; open door and equality of opportunity for all in Manchuria and Siberia; recognition of Japanese right to trade in Siberia; withdrawal from Siberia as soon as a stable government be established; hope that the British would leave Wei-hai-wei when Japan left Shantung; acceptance of the Consortium by China; stabilization of financial, economical and political conditions in China; status quo in Dairen and along the South Manchurian railway; freedom from worry over the Anglo-Japanese alliance; and solution of the Yap problem. All of which was very noble to say the least especially where Japanese interests were not vitally concerned.

The Chinese were notified late the same day to be prepared to present to the conference their case the following morning. This they did in the form of ten resolutions which they wished the conference to ^{en}act. One, two and eight were later, in substance, incorporated in the Nine Power Open Door treaty. Four and five were partly provided for in general resolutions, and nine and ten were tentatively satisfied by the resolution to establish a board of reference to settle such problems. The others: three, six, and seven were dropped

without much discussion.

Chinese Proposals To The Washington Conference.

1. (a) The powers engage to respect and observe the territorial integrity and political and administrative independence of the Chinese republic. (b) China, upon her part, is prepared to give an undertaking not to alienate or lease any portion of her territory or littoral to any power.

2. China, being in full accord with the principle of the so-called open door or equal opportunity for the commerce and industry of all the nations having treaty relations with China, is prepared to accept and apply it in all parts of the Chinese republic without exception.

3. With a view to strengthening mutual confidence and maintaining peace in the Pacific and the Far East, the powers agree not to conclude between themselves any treaty or agreement directly affecting China or the general peace in these regions without previously notifying China and giving to her an opportunity to participate.

4. All special rights, privileges, immunities, or commitments, whatever their character or contractual basis, claimed by any of the powers in or relating to China, are to be declared, and all such or future claims not so made known are to be deemed null and void. The rights, privileges, immunities, and commitments now known or to be declared are to be examined with a view to determining their scope and validity and, if valid, to harmonizing them with one another and with the principles declared by this conference.

(double space)

5. Immediately, or as soon as circumstances will permit, existing limitations upon China's political, jurisdictional, and administrative freedom of action are to be removed.

6. Reasonable, definite terms of duration are to be attached to China's present commitments, which are without time limits.

7. In the interpretation of instruments granting special rights or privileges, the well-established principle of construction that such grants shall be strictly construed in favor of the grantors is to be observed.

8. China's rights as a neutral are to be fully respected in future wars to which she is not a party.

9. Provision is to be made for the peaceful settlement of international disputes in the Pacific and the Far East.

10. Provision is to be made for future conferences to be held from time to time for the discussion of international questions relative to the Pacific and the Far East, as a basis for determination of common policies of the signatory powers in relation thereto.

The New York Times - November 17, 1921.

The first meeting of the committee of conference to consider Pacific and Far Eastern problems, the one at which the proposals were launched and its immediate reaction to them is dutifully detailed to Tokyo in:

On the morning of November 16, the first session of the committee of conference to consider Pacific and Far Eastern problems was held in the Pan-American building. Plenipotentiary delegates from the nine countries were present. The first discussion was regarding the organization of this committee. It was decided that one secretary and adviser for each plenipotentiary should attend throughout the sessions, that no records of procedure should be kept, but that after consultation between the secretaries attached to the various plenipotentiaries, informal minutes should be drawn up. Statements for the press would also be prepared by the secretaries.

Chairman Hughes made a preliminary statement to the effect that among Pacific and Far Eastern problems the question of China was especially important. He went on to say that the United States, looking back upon the history of its own difficulties experienced because of lack of unity among the independent states, sympathized with the present difficulties of China and desired to aid her to attain the aspirations which she entertained for the future. He then eulogized the wonderful development of Japan and expressed confidence that by means of a unified and concerted policy between the three great powers, the expectations of the people regarding the present conference would be fully lived up to.

The question was proposed of the order of procedure to be followed in the discussion. Sao Ke Sze, Chinese plenipotentiary delegate, pointed out that as China had the most vital interest in Far Eastern questions, the Chinese question should be given preference in the discussion and an effort made in the conference to define its fundamental principles. He went on to say that the concrete problem of applying these principles could be taken up later, but that the establishment of such general principles would contribute greatly to a fitting solution of present and future political and economic problems in the Far East. He expressed the hope that China would open up her immense resources to the various nations and that as a recompense she would enjoy the advantages to be derived from free and equal intercourse

with those nations. He then presented the Chinese proposal contained in my telegram No. 32.

At the close of the pronouncement of the Chinese plenipotentiary, in connection with the method of procedure to be followed in the discussions of the committee, the question was raised whether the proposal of the Chinese delegate should be referred for the time being to a special committee. The British delegate said that in view of the fact that the content of the Chinese proposal was very wide in range, a preliminary discussion should be held regarding its adoption or rejection. The Italian delegate proposed that it be referred first to the committee on program and procedure. On the other hand^m, the Chinese delegate earnestly advocated that it ~~sh~~^sould rather be discussed in the committee of conference. Finally it was decided that the order of procedure would be to refer such questions as the Chinese proposal to the committee on program and procedure before bringing them up before the Committee of Conference. It was proposed by the Italian delegate that at least two days notice should be given before meetings of the Committee of Conference. This was left to the discretion of the Chairman. It was decided to hold the meeting of the {subcommittee} on the afternoon of the sixteenth and discuss the order of the day.

(space)

Immediately following the meeting of the Far Eastern committee the Japanese

delegates gave their reactions to the ten Chinese proposals. On the whole they

approved "in principle", but they wanted an honest administration at Peking; no

grafting; abolition of the tuchun system and proper supervision of foreign loans.

This last point they thought could be accomplished through the international consortium

of which Great Britain, France, Japan and America were members awaiting the approval

of China before uniting to control loans and investments. Under the previous non-

cooperative system, a loan had been made by a Chicago bank. Due to internal troubles China had been unable to pay the interest when due and her failure had brought her an official reprimand by America shortly before the opening of the conference. Finally, Japan stated she was willing to dispose her leases for examination under No. 4 if the others would.

Lieutenant-Colonel Charles A. Court Repinton, ⁸London Daily Telegraph correspondent, in his account for the home paper a few days later pointed out, however, that ~~the~~ the points four and eight, dealing with review of contracts and the neutrality of China, would be objectionable to Japan in actual discussion. Just how right he was we will see later as well as what the delegates really thought about China, ~~and~~ her delegates, her advisers and their proposals. ^(Ftats followed cat) (Ou Choo Kei is, perhaps, Shih-chao-chi, or Sao Ke, Alfred Sze, Chinese minister to Washington and delegate plenipotentiary.) ⁽² Lenox Simpson, Dr. J. C. Ferguson, advisers to the president and cabinet of China, and Dr. Paul S. Reinsch, former American ambassador to China, were unofficial advisers to the delegation in Washington.) In one paragraph the Japanese at Washington suspect that the Chinese proposal was written by Americans and in the next they condemn it as vague and carelessly worded.

^(space) Washington-Tokyo, Conference No. 45.

November 18, 1921.

With the approach of the opening of the Washington conference, discussion in all the newspapers became more and more tense and all sorts of propaganda was conducted among them. We too, by working and taking every opportunity to

talk with correspondents, etc., hoped to spread a general knowledge of the
sincere position of the Japanese government, and at the same time we paid particularly careful attention to discussing its principles concerning Far Eastern questions. The explanation of our sincere attitude towards the Washington conference and particularly towards the armament limitation question seemed to make an extremely good impression on public opinion here. Most of the discussion was concentrated on the armament limitation question and the anti-Japanese criticisms centering on the Far Eastern questions and particularly on the Chinese questions gradually became less numerous. Accompanying this on the other hand there was a feeling of a change in the general discussion of the Chinese question being produced because of the report ^(published?) that the American government had sent China a strong warning in connection with the Chicago bank loan question, and because pessimistic reports were constantly being circulated concerning China's economic crisis, political confusion, etc.

Then on the day of the formal opening of the conference the speech of the secretary of state was devoted mainly to the armament limitation question. In spite of the fact that on the armament limitation question he even made a concrete proposal, he made little reference to the Far Eastern questions and rather gave the impression that they were secondary matters. Indeed not only did he make a display of power, as if he wished to conclude the conference at a single sitting, but he concentrated newspaper discussion mainly on the armament limitation question.

Meanwhile scattered in two or three newspapers were found attacks of the Chinese delegate, Ou Choo Kei¹, on the crime of the twenty-one demands, discussions by Koo of the political and economic development of China, pro-Chinese arguments of Simpson, Ferguson², etc., but they were insufficient to exert much attraction on the general trend of opinion. On the contrary, according to reports from outside, there was a lack of mutual understanding among the views of the delegates, Koo and Sze. At least it was observable that the atmosphere surrounding the opening of the conference was contrary to the expectations of the

Chinese delegates.

Unless the understanding of this delegation is at fault, the Chinese proposal made in the Far Eastern questions conference committee on November 16 is conceived in the spirit of transforming this situation and opening a new front in the position of China. Disregarding for the time the truth or falsity of the report that the text of the proposal was drafted by Reinsch,² Ferguson, etc., when we see that the clauses of the proposal follow the classification of the American program and are arranged and worded in a way to cater particularly to American public opinion, we are led to suspect that the underlying motive of the proposal is first and principally to effect a favorable transformation in the situation by propaganda.

When the clauses of the Chinese proposal are examined, not only is the wording so careless that it is hard to grasp the meaning, but there are not a few things which it is quite impossible for us to approve. Accompanying the development of the conference, it is our purpose to criticize these points thoroughly, and at the same time on our own initiative to exhaust every effort to make clear the policy of the Japanese government towards Chinese questions in accordance with the spirit of our instructions, but the pace of the progress of the conference is very rapid and it is not to be expected that there will be time to ask instructions one by one. We therefore wish to inform you beforehand of the situation here.

(spec)

When the subcommittee met to organize on November 16 and to discuss the Chinese proposals the next day, Baron Shidehara was taken ill and was unable to participate in the sessions. The upshot of the matter was that things were referred back to the general committee and the committee agreed to postpone discussion for a few days until the Japanese had time to study the proposals and the Baron had time to recover his indisposition. Unfortunately for him, it was more serious than at first anticipated.

On the afternoon of the sixteenth, the first session of the sub-committee on Far Eastern questions was held. (The organization of this committee is identical with that of the committee on program and procedure, namely, one plenipotentiary or specially appointed delegate attending from each country.) After a discussion, they decided to hold the second session on the morning of the seventeenth, and to discuss matters of choice of agenda and classification of procedure.

At the meeting of the second session on November 17, Plenipotentiary Delegate Shidehara was not present on account of illness, and Plenipotentiary Tokugawa attended in his place. The American delegate with reference to the agenda pointed out two or three differences between the American proposal and the Chinese proposal. Then, after the discussion of various details, it was decided that there should be a general discussion of the Chinese question in the committee of conference, and that then the various problems should be taken up in the order of the agenda as first outlined by the United States. At that time the Chinese proposals would be considered under the heads to which the separate proposals relate. Plenipotentiary Tokugawa said that the Japanese had no objections to exchanging views about the various questions, but that, in view of the importance of the problems, they would like to make an extended study of them in order to facilitate the effective progress of the deliberations and that he hoped the committee would refrain from bringing up these matters for debate at once. The American representative expressed the hope that a meeting of the committee of conference would be held at once, but finally our desire that a meeting should be held at which it would be possible for all the delegates to attend was acceded to. This date for the meeting will be communicated by the Japanese delegates.

The Root resolutions and the Hughes resolutions resulting finally in the Nine¹ Power Open Door treaty were the two most important results dealing with generalities that came out of the Far Eastern conference. The first of these groups was introduced at the second meeting of the Far Eastern committee. Elihu Root introduced the idea of a resolution reaffirming the fundamental principles of the independence of China, its territorial integrity, the open door² and equality of opportunity as expressed in the Anglo-Japanese alliance^{1 (Faint)}, the Franco-Japanese treaty^{2 (Faint)}, the Portsmouth treaty^{3 (Faint)} and the Takahira-Root agreement^{4 (Faint)}, November 19 after the senior delegates⁵ - Charles Evans Hughes for America, Arthur J. Balfour for the British Empire, Baron de Cartier for Belgium, Aristide Briand for France, Carlo Schanzer for Italy, Baron Tomosaburo Kato for Japan, H. A. van Karnebeek for the Netherlands⁶ and Visconde⁷ d'Alte for Portugal, - had expressed their friendship and sympathy for China to Sze.

Japan had declared definitely her intention of "hands off" internal China and in favor of the open door and removal of extraterritoriality. Britain promised to cooperate and the Dutch, the Portugese and the Italians had nodded their approval. Balfour wished, however, to keep strictly to the American agenda. According to "Pertinax," foreign editor of L'Echo de Paris in Washington, Japan was sitting pretty, for the open door and abolition of extraterritoriality, because of propinquity, would be just another big advantage to her.

¹ The substance of the Franco-Japanese treaty of 1907 was that -

(double space)

"The governments of Japan and France, being agreed to respect the independence and integrity of China, as well as the principle of equal treatment in that country for the commerce and subjects or citizens of all nations, and having a special interest to have the order and pacific state of things preserved especially in the regions of the Chinese Empire adjacent to the territories where they have the rights of sovereignty, protection or occupation, engage to support each other for assuring the peace and security in these regions, with a view to maintaining the respective situation and the territorial rights of the two high contracting parties on the continent of Asia."

Japan Year Book, 1921-1932, with the ~~French~~ ^{French} ~~Power~~ ^{Treaty} France and Japan

announced January 5, 1922 that their treaty was not inconsistent with the ^{Treaty} ~~the~~ Nine powers

(4) The gist of the Takahira-Root exchanges of 1908 is as follows:

I. It is the wish of the two governments to encourage the free and peaceful development of their commerce on the Pacific ocean;

II. The policy of both governments, uninfluenced by any aggressive tendencies, is directed to the maintenance of the existing status quo in the region above mentioned and to the defence of the principle of equal opportunity for commerce and industry in China;

III. They are accordingly firmly resolved reciprocally to respect the territorial possessions belonging to each other in said region;

(double space)

4 IV. They ~~also are~~ determined to preserve the common interests of all powers in China, by supporting, by all pacific means at their disposal, the independence and integrity of China and the principle of equal opportunity for commerce and industry of all nations in that empire;

(Double space)

V. Should any event occur threatening the status quo as above described or the principle of equal opportunity as above defined, it remains for the two governments to communicate with each other, in order to arrive at an understanding as to what measure they may consider useful to take. - Japan Year Book, 1921-22^①)

(³- The Portsmouth treaty signed by Russia and Japan at the close of their war in 1905 recognized the principle of the open door and the sovereignty of China.)

(¹ The following few phrases from the preamble of the Anglo-Japanese alliance concluded July 13, 1911 characterizing the object express the same idea:

A.- The consolidation and maintenance of the general peace in the regions of Eastern Asia ^{and} ~~and~~ of India;

(Double space)

B. - The preservation of the common interests of all powers in China by insuring the independence and integrity of the Chinese empire and the principle of equal opportunities for the commerce and industry of all nations in China.

C. - The maintenance of the territorial rights of the high contract-

(space)
ing parties in the regions of Eastern Asia and of India and the defence of

their special interests in the said regions. -- Japan Year Book, 1921-1922 (C)

(space)
Washington-Tokyo, Conference No. 52.

November 19, 1921 (C)

The second session of the Far Eastern conference committee was held in the Pan-American building on the morning of the nineteenth. Delegates of nine powers attended (Shidehara was absent.)

Chairman Hughes proposed that the committee should first have a general discussion of Chinese questions, and should then pass to a discussion of the particular items in the American agenda proposal, during which the Chinese proposal could also be considered with the reservation that paragraphs nine and ten of the Chinese proposal did not concern China alone and should therefore be left to general discussion at a later date. He therefore proposed that the committee should immediately enter on a general discussion of Chinese questions and then have an exchange of views on the first item of the American agenda program and find a general principle.

Delegate Kato then made the speech given in the accompanying cablegram No. 53. The French delegate Briand said that there should not only be a general discussion of Chinese questions as a whole, but also a further general discussion at this time of each agenda item concerning Chinese questions. Balfour said that the British government had made repeated declarations concerning the fundamental principles of territorial integrity, etc., and he saw no necessity of a further statement. The Italian, Dutch, Belgian and Portuguese representatives in turn rose and stated their views. Finally the Chinese delegate Sze, after reserving for a later date an opportunity for a detailed discussion of concrete questions concerning the statements of the various delegates, expressed sincere appreciation of the friendly sentiments expressed by the representatives of all the powers.

As soon as the Chinese delegate had finished his address, the American delegate, Root, said that the American government had announced its policy towards China, but there was one word to say to the delegates. Although there were repeated declarations concerning the fundamental principles of the independence of China, territorial integrity, the open door, equality of opportunity, etc., in the Anglo-Japanese treaty, the Franco-Japanese agreement, the Portsmouth treaty, the Takahira-Root agreement, still it could not fail to be advantageous once more to declare and confirm these principles in the form of a resolution of this committee. In this connection the question of "What is China?" would come up. Thus, if it should be possible to determine to interpret it as China proper, a real advantage to the progress of the conference would be secured.

With the preparatory remark that he thought it necessary to decide what was the application and scope of the principles spoken of by Root, the British delegate, Balfour, approved the suggestion and moved that the drafting of the resolution be left to Root.

The Chinese delegate, Koo, said that China's territory was already decided by the constitution of China, and Chinese delegates could hardly approve anything which made a change in the constitution. The name China was applied to China proper and [Ed. Note. Possibly, her dependencies]. China proper comprised twenty two provinces [Ed. Note. Possibly, and dependencies.]

Root said that we were not here discussing questions of the Chinese nation, and were therefore not bound by the Chinese constitution. Saying that the responsibility for the discussion was on him himself he rejected Koo's proposal. Finally the chairman entrusted Root with the drafting of a resolution, and the committee adjourned. The next meeting will be 4 P.M., the twenty-first.

It was also resolved that absolutely nothing about the proceedings of the discussion in the committee should be published excepting the announcement of agreements after they had been made. The proceedings below the Root

proposal will not be published.

Delegate Shidehara is not yet recovered from his illness, but it did not seem desirable to delay the conference merely for our convenience, and we therefore assented to having this session the nineteenth.

Delegate Kato's speech given in the accompanying cablegram was drafted in order to make our position in this discussion clear by giving a summary of our fundamental policy with regard to Chinese questions in accordance with the spirit of your instructions. Your approval is requested.

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The resolution proposed by Root was adopted with two small changes: one, the dropping of a phrase commentary on the difficulties of the readjustment from the imperial government of China; the other, strengthening the third part by asserting definitely the desire not only to establish but to maintain equal opportunity. This, they believed, would supersede the Root-Takahira agreement and the Lansing-Ishii notes of 1917 in which Japan stated the doctrine that propinquity creates special interests and America recognized it, though both countries promised to adhere to the open door and refrain from discrimination of the trade or commercial rights of other countries. The John Hay note of 1899 was the original declaration of the open door policy.

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Washington-Tokyo, Conference No. 60? November 21, 1921.

The third meeting of the committee of conference on Far Eastern questions was held on the afternoon of the twenty-first, in the Pan-American building. Plenipotentiary Delegate Shidehara did not attend. After discussion of the resolution drafted by Root, some slight changes were made and the resolution was passed as communicated in cablegram No. 61. It will immediately be given out for publication. The details of the proceedings will be cabled in another

follows:

The administrative integrity mentioned in point one (see accompanying cablegram) is not meant according to the resolution to have any bearing upon special rights already granted by China. By respecting China's sovereignty is meant that administrative acts directed toward making a fact the above mentioned sovereignty of China as an independent nation must also be respected. This resolution does not attempt to apply this principle or to limit it to the past, the present, or the future and makes present conditions the basis. There is nothing to prevent changes being made in the future with the consent of the interested countries. The Chinese plenipotentiary said that individual restrictions having force at the present time could be ~~removed~~ ^{the} in future after consultation between the countries concerned. Discussion followed in this vein. The next meeting will be held to-morrow afternoon.

Root Resolution on the Open Door --

It is the firm intention of the powers attending this conference hereinafter mentioned, to wit: the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands, and Portugal:

(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China.

(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government, (overcoming the difficulties incident to the change from the old and long-continued imperial form of government.)

(3) To ~~safeguard for the world, so far as it is within our power~~

use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China.

(4) To refrain from taking advantage of the present conditions in order to seek special rights or privileges which would abridge the rights of the subjects or citizens of friendly states and from countenancing action inimical to the security of such states. -- ^{The} New York Times,

November 22, 1921.

[Ed. Note. The phrases in ()s in Articles ²(2) and ³(4) were dropped and amended as mentioned above.])

(p. 22)

Washington-Tokyo, Conference No. 63,

November 22, 1921,

Referring to my conference cablegram No. 60, the proceedings of the third meeting of the conference committee on Far Eastern questions, held on November twenty-first, were as follows:

Previous to entering upon a discussion of the text of the resolution drafted by American Plenipotentiary Root, the latter explained that this resolution was drawn up after synthesizing the views expressed by the plenipotentiaries of each country at the previous meeting and the treaties, declarations, etc., hitherto concluded; therefore its contents was not made to cover anything new. Also, avoiding long discussion of the question of "What is China?", it would simply use the word "China".

To the Chinese plenipotentiary's question whether "respect" in paragraph 1 of the resolution had also the sense of "observe", the reply was given that "respect" had the stronger meaning of the two.

Then Plenipotentiary Kato asked whether administrative integrity meant respect of China's political independence, and whether it meant it would affect the vested rights and interests of each country.

Root replied that anything such as privileges already granted by China would not be affected in any way by this resolution. In making this statement that the administrative integrity of China would be respected, the treaties and other administrative acts put into operation by the independent country of China must also be respected.

Then Balfour explained that nevertheless this basic principle did not prevent future discussion of whether existing privileges should be maintained, or whether ultimately some change should be made. He said that, in other words, to cite the matters of extra-territoriality and the arrangement as to the customs tax system, a change in these later on, after further discussion, could not be prevented, ⁽¹⁾ and at the same time not only would there arise the imperative duty of changing them, but, in short, discussion would proceed with the actual situation as a basis and along the lines of this resolution.

At the close of these questions and answers, Wellington Koo said that, even if the status quo were made the basis, he thought that the existing restriction on China's administration would not be adhered to forever, and that accordingly the restrictions would be annulled after consultation with and with the consent of the countries concerned.

To this Hughes answered that except so far as restrictions had been made

through treaty or otherwise, China naturally had the right of self-government.

Then the Dutch plenipotentiary questioned whether this resolution was contemplated as ultimately a declaration or treaty among the Powers. If so, was the resolution a standard for the relations between China and foreign countries or was it a standard for the mutual duties of foreign countries?

Hughes replied to this that this resolution did not at this time go so far ~~as~~ as to lay down in advance whether it should finally be a treaty among the powers, or a declaration. Its greatest importance lay in being a starting point for discussion in the committee, and it went no farther than that.

The French plenipotentiary asked whether the resolution was applicable to the past or was a standard for the present and future; in other words, whether in case of changes to be made in actually existing treaties, the making of such changes would be subject to the consideration of China and the country concerned; or again, whether it would be submitted to discussion by all the countries having a part in the resolution.

Root made no reply to the questions about time. He explained that the object of the resolution was to bind together the various countries in an agreement as to China's foreign relations. Besides recognizing China's national rights, the validity of acts originating in her sovereign rights must also be recognized. Accordingly, an agreement with China was needed to put this resolution into effect. To give a concrete example, there was the conventional maritime customs tariff; here, if the countries concerned, with China added to their number, should wish, from the standpoint of helping China financially, to increase the rate, every country having anything to do with the question should confer over it.

After the foregoing general discussion, the resolution was taken up article by article.

It was proposed by the British plenipotentiary that in paragraph 2 on "government" in the draft of the resolution, given in our conference cablegram No. 61, the words "overcoming the difficulties incident to the change from the old and long-continued imperial form of government" which appear in the original Root draft should be dropped, since it would be undesirable at this time to say anything about a change in the form of government, even though sympathy was felt for China's republican administration.

There was no objection and it was decided to drop these words.

Instead of " [Ed. Note. Possibly, "To use their influence for the purpose of effectively establishing and maintaining"] of paragraph 3, the Root draft had "to safeguard for the world so far as it is within our power". In regard to this the Italian plenipotentiary expressed the view that the wording seemed rather lukewarm. Root explained that the insertion of this phrase was an appeal to the various countries who held special interests in China, and he quoted also the John Hay note. ^(Ed. note) Finally on a motion of the British plenipotentiary this was amended as in our cablegram No. 61.

In regard to the meaning and variety of the so called rights in paragraph four of the draft of the resolution there were questions and replies between the Italian and British plenipotentiaries. Finally the discussion ended in the decision to give it the meaning that China would not lessen rights already granted to private companies or to a country.

Lastly, the word "powers", in the final text of the resolution was made to mean all countries except China, but to save China's face ^(Ed. note) this was not specified, as shown in our cablegram No. 61.

The amended resolution was unanimously adopted, and it was decided to publish it the following day. The meeting then adjourned.

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Baron Kato foresaw difficulty when the Far Eastern committee reached details if the

Japanese should have to wait to ask Tokyo about each point under discussion. He requests

(11) ... (454) ... 13 ...

Tokyo for permission to give full steam ahead when the troublesome passages are reached, in a cable giving his own summary of the first four meetings.

At the fourth conclave Kato had admitted that Manchuria was a part of China proper and the conference had turned to the tariff.

(Apoc)

Washington-Tokyo, Conference No. 70, November 23, 1921

From Plenipotentiary Delegate Kato.

The attitude of the United States towards rapidity in solving the armament limitation question is already known to you. At the start they dashed in and announced their concrete plan like a clap of thunder. With regard to Pacific and Far Eastern questions they have not so easily made their attitude clear, but at the first meeting of the conference committee Chinese questions were principally touched on, and in the second session the Chinese proposal was presented. The United States immediately proposed that Root should personally draft a resolution, and Great Britain approved. In the third session a statement of general principles practically as contemplated in the American agenda proposal was published and hastily adopted. The Americans explained, the British acted in concert; especially, when the Chinese wished to go into questions of detail supplementing the general principles, it was said that this was included in the resolution and that that would be foolish to discuss; they were quickly and forcibly suppressed. British and Americans with mutual support hastened the adoption of the principles, a condition which makes plain the atmosphere inside and out.

But regarding the application of these principles, while concrete questions will be discussed pretty much in accordance with the wishes of the Chinese, it is clear from the explanation of the resolution and

from the attitude of the British, American and French delegates in the fourth session that when it comes to the question of application, which the four principles of the resolution will no longer affect, no change can be made without the consent of all the interested powers in addition to those having special rights by treaty provisions.

It follows from the foregoing that an attitude of delaying or leaving unsettled the Far Eastern questions, or questions which will hasten their solution, will be perfectly transparent. When therefore we come gradually to take up the concrete special questions proposed by the Chinese, there will be no time to ask for instructions for every detail. I therefore think it will be advisable for us too to promote this fashion of speed by instantaneously making a suitable statement and accepting or rejecting the proposal, and to endeavor as far as possible to stop with the establishment of general principles.

I wish to inform you of the foregoing in advance.

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As long as they stuck to generalities, compliments flowed, but, as soon as they got down to concrete details, the Chinese delegates struck snags and felt the brickbats. The French delegation even challenged the authority of the Peking delegates as representatives of the whole of China, but were finally satisfied on the ground that they represented the only government internationally recognized. The same day, November 23, the British let fall that the Root resolution was virtual acceptance of the financial consortium by the Chinese and amounted to a pooling of operation of railway concessions held by the powers and continued supervision of Chinese customs.

(space)
Washington-Tokyo, Conference No. 100, November 28, 1921,

.... In our interviews with newspaper reporters regarding the Chinese question, our policy has been always to express sympathy with China, and

not to take the attitude of vindicating our standpoint by unnecessary exposures of internal conditions in China^U_A in the conference as well, as already noted, the fact that we have always made fair representations has not only favorably impressed America, but the Chinese plenipotentiaries have likewise recognized this~~and~~ and they have not ventured upon any violent propaganda as before. Besides this, the attitude of the American government has not been what they expected, and it has at last become apparent to them that this government will not necessarily take sides with them regardless of circumstances.

At the same time, knowledge of China's internal condition, particularly her financial plight, has finally spread to the press, and it has even gone as far as to discuss the question "What is China?", the former feeling of compassion taking on a slight coloring of contempt.

Likewise, because the statements of the Chinese delegates are prone to run to ideals and to be prolix, not only have they alienated^{li} the sympathy of the conference, but the newspapers as well have not received them with much interest.

As stated above, China's position at present is one of disadvantage. I think we should therefore utilize this opportunity by keeping in as close touch as possible with the Chinese plenipotentiaries, and preventing their running to extremes. They are on the other hand being fiercely criticised by Chinese students^a radicalists because of the weakness of their attitude, and they are avoiding all contact with us. I think our authorities should be more than careful, not only to see to it that our press at this time takes a sympathetic attitude toward Chin^a's present financial distress, that no needless ridicule is thrown at China, nor anything done to provoke popular discussion; but also not to let any Chinese-Japanese incident occur in this critical time.

In regard to the Chinese question, although she professes the same fair principles as our country, Great Britain will apparently insist to

the utmost upon its vested rights. They concentrate upon the manipulation of the newspapers through the intermediation of Lord Riddell^Q on the twenty-third, however, the latter in an interview with a group of newspaper men spoke as though the Four Power Consortium would monopolize all loans and would come to control Chinese finances. This immediately aroused the opposition of the Chinese plenipotentiaries.

The French, as already reported, announced a one-sided proposal, which was seen to be impossible of realization, that if the other nations should return their leaseholds, France would return Kwang Chow Bay, but this did not have any special influence. The speech of Briand on the question of land armaments attracted temporary publicity, but it did not arouse general sympathy throughout the United States. Signs are not wanting that it reacted rather to incite antipathy in Japan and European countries and in correlation with Lord Curzon's criticisms it raised a storm in the hitherto calm progress of the negotiations. In general the attitude of France does not have very great influence in American public circles. Of Italy there is scarcely any mention.

(21.10.00)

As early as December 3 members of the Chinese delegation who had been expecting miracles began to withdraw, so Chun Shu-Kwei, manager of the Chinese press bureau, said. Five of them, disappointed in the failure of the conference to satisfy theoretical and idealistic demands, had gone home. On December 5 Tiao Tso-ch'ien or Dr. Philip Tyan^U, general secretary of the delegation, resigned in protest, because he thought China's rights as a nation were being slighted. He wished to continue on to Cuba as minister where he had been recently appointed. He accused the conference of referring everything to sub-committees for meaningless resolutions of postponement. The next day three other ad-

visers also submitted their resignations, -Chow Tsu-ch'i, ex-minister of Finance, Yuho M.T. Liang, ex-minister of Foreign Affairs, and Vice-admiral Tsai Ting-kan, associate director of the revenue council.

Tokyo learned of this in due time. *(Faint to followable)* "Choo Saku Ken" is Dr. Tyau, "shuu Ji Sei" is Chow Tsu-ch'i, "Sai Tei Kan" is Tsai Ting-kan, and ^R"Yoo Jo Koo" is Yuho M. T. Liang.)

(space) Washington-Tokyo, Conference No. 165, December 8, 1921.

Our successive cablegrams have acquainted you with the development of Far Eastern questions at the Washington conference. In principle, all the nations participating in the conference have expressed sympathy towards China and have promptly adopted general principles like the four clauses of the Root resolution. As concrete questions are gradually reached, however, the interests of the participating countries become extremely complicated, and at the same time, accompanying the progress of the discussion, more attention is being paid to the actual condition of China. In addition to this, the recent anti-British and anti-American tendency in part of China and the arrogance with which Sze and Koo bear themselves in the conference have apparently produced an unpleasant impression extending even to the delegates of these two countries.

For these reasons it is generally observed that the Chinese are losing sympathy. It is said that for several days the Chinese plenipotentiaries have felt very nervous about this, and that not a few among their staff are also feeling pessimistic about future developments in view of the state of their country. The newspapers of December 5 published that Choo Saku Ken, the general secretary of the Chinese delegation, had presented his resignation as an expression of dissatisfaction with the results of the Pacific conference. The next day, the sixth, it was re-

ported that Shuu Ji Sei, Sai Tei Kan, Ryoo Jo Koo, etc., had also tendered their resignations in the same spirit! (Kt)

In this connection it is said that during the meeting of the secretary of state with the newspaper correspondents on the sixth, the representative of the Hearst newspapers asked a question in the sense that these Chinese resignations deserved sympathy. The secretary is said to have rebuked him with the reply that not only would it not be to the advantage of the United States to make suppositions about the progress of the conference in a tone which would display sympathy with these resignations, but that there was no reason for expressing sympathy with China, etc., etc. The public agitation of the Chinese students concerning the Shantung question has also been stopped from the time of the third session by a stern warning from the local police authorities.

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If the hopes of the Chinese delegates had not been so high, they would not have been so disappointed with the action finally taken. On December 7 the Far Eastern committee voted to respect China's rights as a neutral:

The contracting powers, other than China, agree fully to respect China's rights as a neutral in time of war to which China is not a party; and China declares that when she is a neutral, she will observe the obligations of neutrality. -- New York Times. December 8, 1921;

Someone has said "In times of peace, prepare for war". It was just that that the Japanese were doing though apparently attending a conference to limit armaments and to eliminate grounds for war by the provisions of the Four Power Pacific pact and the Nine Power Open Door Treaty pact. Briefly, the first was to preserve the

peace of the Pacific by respecting each other's possessions, and the second was to respect the sovereignty, the independence and integrity of China, to provide opportunity for her to develop a stable government, to protect the principle of equal opportunity for all in commerce and industry, and to ask no special privileges to injure the rights of others. It is true these treaties were not signed until later.

The chief delegates, Baron Tom^oisaburo Kato and Masanao Hanihara, - the former, minister of the navy and the latter, vice-minister of foreign affairs, - kept always *in mind* Japan's position in the eyes of the world and what must be conceded to win the good opinion of America and the western world. True they conceded little more than absolutely necessary, but they were a needed check to the frank, militaristic ambitions of the more radical element of the government. If there were dissensions among the Chinese delegates, all was not sweetness and light in the Japanese party. One of the most interesting members, frank, outspoken and the very opposite of the American idea of Oriental calm was Lieut. General Kunⁱshige Tanaka, the chief representative of General Yusaki Uyehara, chief of staff, General Hanzo Yamanashi, minister of war, and the military party in the government.

Though ordinarily one would think the navy and army would be equally rabid and alert to protect their opportunities to fight, on one occasion, that of the resolution to protect China's neutrality, the navy, according to the army, was asleep. Or

perhaps it was just lack of cooperation due to resentment on the part of the delegates at the constant wish of the army representative to dictate. Whatever it was, it led General Tanaka to send a blistering, explosive communication to his chief of staff the day after the resolution was passed.

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From: Tanaka, Washington, December 18, 1921.

To: Chief of Staff, Tokyo, Conference No. 22.

I have always been vigilant in endeavoring to keep in touch with the Plenipotentiaries and the Ambassador. With regard to Chinese questions I had finally in advance. Yesterday afternoon, however, I suddenly learned for the first time from the evening newspapers that the resolution concerning the neutrality of China (Article No. 8 of the Chinese proposal) had been passed.

I must express to the Minister of War and the Chief of Staff my unmeasured chagrin that with reference to a military question of this kind, which has so important a relation to the existence of Japan, I was unable to submit my views fully to the Plenipotentiaries before they took action and to carry out the wishes of our army. Following is a report of what happened.

At the time China offered its twelve proposals, I felt that the eighth proposal had an important relation to Japan's continental institutions. I therefore conferred with Plenipotentiary Hanihara and we agreed in thinking that this proposal was a matter of course, legally speaking, and that it was not of such a nature as to be brought up for discussion. I therefore let the matter rest. When decision was suddenly taken on the proposal I was astonished. I immediately saw Plenipotentiary Hanihara and told him that I considered this question to be a matter of grave importance from the point of view of the military interests of Japan. I inquired the circumstances of Japan having joined

in this resolution.

Plenipotentiary Hanihara said that the proposition was a matter of course and that the delegates had approved it, because they felt that it would be disadvantageous for Japan to oppose it. They had not thought it so grave a matter.

I replied that it put Japan in a hole, for in case Japan were at war with a certain country and had to get materials from China, if China took an unfriendly attitude, it would be necessary in the end for Japan to invade China, break the obligation of this Article and fight with China as an opponent. It would also be an extraordinary strategic impediment in a war against In these cases it would be an extremely severe blow to Japan.

The plenipotentiary said that in such cases it would be a question of actual power. The delegates had felt that this article was aimed at Japan alone and that American advisers had probably instigated China to present it. The delegates had no reason to oppose it.

I told him as my opinion that I thought it not entirely impossible to oppose the article on the two grounds that the proposition was a matter of course and not necessary to be made a resolution and that Russia, which was the nation most concerned with Chinese neutrality, was not participating in this conference.

The plenipotentiary repeated that in this case it would be detrimental to Japan's position for the delegates to oppose the proposition.

I said that if my views on this matter had been consulted in advance, I would have advised opposing the article on the two grounds given above. I was astounded that this had not been done.

I then saw Plenipotentiary Kato and said the same thing. His views were the same as those of Plenipotentiary Hanihara and he said that the responsibility in this matter should attach to him, Plenipotentiary Kato.

In reporting these circumstances I request your careful and mature consideration of them.

Undoubtedly a resolution guaranteeing to respect China's rights as a neutral *against Russia, but it was apparently little impediment in a war* nation would be an extraordinary strategic impediment in a war against Chinese

bandits. And the phrase about the necessity of breaking obligations has a strangely familiar ring about it reminiscent of those who considered treaties scraps of paper. The Japanese learned their diplomacy from Germany even if they did learn their business methods from America.

The next day the Far Eastern committee adopted the Geddes resolution supplementing the Root resolution:

(Adopted 12/10/21)
The powers attending this conference declare that it is their intention not to enter into any treaty, agreement, arrangement, or understanding, either with one another, or individually or collectively, with any power, or powers which would infringe or impair the principles which have been declared by the resolution adopted November 21 by this committee. - The New York Times December 9, 1921.

In the plenary session of December 10 report of what had been accomplished in the Far Eastern committee was made and approved. The nine powers assented to respect China's rights as a neutral and expressed the wish that the Root resolution might be adapted to a ~~Nine~~ ~~Power~~ treaty, which would further safeguard it. Though

this was the first official hint of a ~~Nine~~ ^{Power} treaty on China and the Far East, rumors of some form of a large agreement had been flying since last August. England had certain definite things it wished for China, but it demanded certain reforms first. We saw in No. 258 of August 21, above that an English paper in China had advocated the abolition of the militaristic tuchun system, a reform of the army, a constitution, a moderation of popular opinion and unity of China as a basis for granting the desired reforms.

On September 25 The New York Times carried rumors of ^{an} enlarged agreement to replace the Anglo-Japanese alliance in regard to Japan's special interests in China or Manchuria. Henry P. Fletcher, under-secretary of state, immediately denied the intent of the United States to review all of Japan's agreements concerning China as preposterous. Yet from the fight that Hughes made in the conference to get Japan to review her twenty-one demands and to list all commitments, the seed evidently fell on fertile ground.

(space)

Washington-Tokyo, No. 644

September 28, 1921

The New York Times published a special telegram from Washington, September 25, in which occurs the following:

(space)

The sentiment in the United States and among the British overseas dominions against a renewal of the Anglo-Japanese alliance appears to have produced a widespread impression among observers of international affairs that it will not be continued. It seems to be assured that one plan to be considered in Wash-

ington will be the substitution of a general treaty for all conventions including the Anglo-Japanese alliance and other agreements between Japan and western governments having as their aim the confirmation of Japan's special interests in China or contiguous regions. The means of doing this may be a treaty between China and all the powers or treaties between China and each of the powers which shall be substantially identical, varying in accordance with pre-existing territorial acquisitions, leases or concessions, and duly recognizing the political position of Japan, etc., etc.

(Applaud)

Murphy of the Kokusai News Bureau immediately questioned the under-secretary of state about this. Fletcher said that it would be entirely impossible for the conference to revise all the above-mentioned treaties and agreements concerning China, and the American government had never thought of such a thing.

Murphy told me this.

Coming over on the boat Balfour drafted a separate agreement for China and the Far East and gave it to Hughes on the opening day of the conference, Sir Laurice Hankey, secretary of the English delegates told Sadao Saburi, counsellor of the Washington embassy, November 26. This plan of the British is interesting both for its similarity in form to the Four Power treaty and to points of the Nine Power treaty, or resolutions adopted. A, B, and C of the preamble resemble the Root resolution or Article I. Article I of this resembles Article VII of the Nine Power pact. Article III of this resembles the resolution on the publicity of contracts. Article V of this became a Board of Reference established by Resolution. Article VI of this resembles Article II of the Nine Power pact. But Tokyo did not like it.

Washington-Tokyo, Conference No. 107, November 29, 1921.

~~Washington-Tokyo, Conference No. 108, November 30, 1921~~

~~Tokyo-Washington, Conference No. 109, December 6, 1921~~

Referring to our cablegram No. 104 Hankey in his conversation referred to the fact that he had a plan while ~~making~~ ^{to make} on the one hand a tripartite agreement as a substitute for the Anglo-Japanese alliance, on the other hand to make a separate agreement among the countries interested in the Far East and particularly in China.

Saburi said that for the sake of information he would like to know what draft had been made of the so-called separate agreement concerning China. If a text had been drafted, he would like to get it for Mr. Hughes. (?)

Hankey said that some sort of draft had been made on board ship, and after showing some hesitation he said that he would deliver it, after he had obtained the consent of Mr. Balfour. He said that he had not intended particularly ^{to} refer to the fact that this draft had been made.

The draft was delivered to us last evening. This morning, the twenty-ninth, Hankey told Saburi that he hoped that no importance would be attached to this proposal concerning China. Saburi took the occasion to ask whether the proposal had been presented to the United States. Hankey replied that it had been presented to Mr. Hughes at the same time with the tripartite agreement proposal.

As this proposal has points which Japan could hardly accept off hand and no importance is attached to it by the British, it is doubtful whether anything further will be heard about it, but I think it worth while at least to know the original views of Great Britain, and I am therefore cabling the entire text in cablegram No. 108.

The governments of the British Empire, China, France, Japan, and the United States of America (Holland and Portugal might be added) have agreed upon the stipulations set forth below, having the following objects:

- A. The consolidation and maintenance of the general peace in Eastern Asia.
- B. The preservation of the independence and integrity of the Chinese Republic.
- C. The application of the principle of equal opportunity for the commerce and industry of all nations in China.
- D. The substitution of international cooperation for international rivalry.

Article 1. It is agreed that, whenever in the opinion of the high contracting parties any of the objects referred to in the preamble of this agreement are in jeopardy, the five governments will communicate with one another fully and frankly and will consider in common the measures which shall be taken to safeguard their menaced rights or interests.

Article 2. The high contracting parties agree that they will in no circumstances take independent action for the protection of their interests in Eastern Asia by the employment of naval, military or aerial forces without previously consulting the other high contracting parties as to the desirability of taking such measures, save in cases where life and property are endangered.

Article 3. Every contract and agreement involving financial liability between the Central Chinese governments and/or the provisional Chinese governments and the high contracting parties and/or their nationals and/or the agents of their nationals shall be communicated to all the

high contracting powers, and no such contract or agreement shall be binding until so communicated.

Article 4. The diplomatic representatives of the high contracting parties at Peking shall be vested with the executive authority of carrying out this agreement.

Article 5. The high contracting parties recognise the desirability of arranging for periodical meets between their duly accredited representatives for the discussion of the practical means best calculated to secure the objects aimed at under the present agreement.

Article 6. The high contracting parties agree that they will not without consulting one another enter into separate agreements with another power or powers to the prejudice of the objects described in the preamble to this agreement.

Tokyo-Washington, Conference No. 109. December 6, 1921.

1. As a result of hasty consideration on our part, it is felt that in case it is inevitably necessary to separate the agreement on China from the Pacific agreement, it is necessary to secure a wording of the China agreement which will not bind our legitimate activities, based on the fact that, as a result of the geographical proximity of Japan to China, Japan naturally has special interests different from the other powers. In that case there may be a difference of views with China. It will be impossible to exclude China from the China agreement. It would therefore be the better policy as far as possible not to make a China agreement which will be parallel with the Pacific agreement. ~~If possible it is hoped to do no more than establish an agreement on the basis of the Balfour proposal.~~

On the whole Tokyo was sympathetic to the Chinese demands and ordered the Wash-

ington delegates to support them provided China would agree to modernize her antiquated and anti-foreign institutions and open up the interior to trade and commerce.

~~1305~~ Tokyo-Washington, Conference No. 131, December 8, 1921.

Judging by your successive cablegrams with reference to the progress of the discussions in the committee on Far Eastern questions, the status of affairs is that the Chinese advocate the abolition of foreign post offices, the withdrawal of foreign troops and police and the discontinuance of consular courts and even go so far as to wish to take up the questions of the abolition of leaseholds and, of course, of spheres of influence. The impression of the Japanese government is that the Chinese people.....

[Ed. Note. Possibly, is entitled to] such rights and its policy is, as you are aware, not to refuse to give friendly consideration upon the basis of proper conditions to the abolition of institutions by which national rights are restricted. A previous condition of this abolition, however, is that the consciousness of the Chinese people must be aroused to a serious consideration of the situation, namely, that besides adopting a policy of active effort with respect to the abolition of the above-mentioned restrictions of Chinese national prerogatives imposed by foreign countries, China should also gradually do away with her anti-foreign and antiquated institutions and those not in harmony with the advance of world civilization. Especially, upon the withdrawal of the consular courts, it is a reasonable argument that the interior of China shall be opened up to the world and that the right of foreigners to mixed residence in the interior shall be recognized. This not only would work toward the welfare of China herself, but would be equally advantageous to the rest of the world. In this way, the questions of most vital importance to Japan, i.e., those of population and raw materials, might partially solve themselves.

The question of the opening up of the interior of China was mentioned in the first part of the section on China in the general instructions previously given. Especially with respect to the opening up of the interior, judging by the present situation in the committee on Far Eastern questions, we consider that it would be proper for Japan to propose this at this time. We suppose you have this in mind, but it is desired that you watch your opportunity and take proper measures.

According to your conference cablegram No. 31 (Note. Minutes of first session of committee on Far Eastern questions) and succeeding ones, the Chinese Plenipotentiary Delegate Sze announced that China wished to open up her rich resources to the powers and to grant free and equal trade advantages to the various countries. Our above-mentioned proposal for the opening up of China is not limited to the matter of resources alone, but included the desire that in accepting the abolition of the restriction of national rights, we shall secure an acknowledgement of the right of foreigners to reside freely in the interior of China as is the case in ordinary civilized countries.

When she learned that Hughes was tending toward a general agreement on the Far East, Tokyo wished to base it on the Root resolution, to include peace assurance, the opening of the interior of China to development of its natural resources and to residence of foreigners, and to include China in the agreement.

Tokyo-Washington, Conference No. 213.

December 21, 1921.

Urgent. Very Confidential.

Not only did the new Pacific agreement exclude Chinese questions, but the Anglo-Japanese alliance, which is mainly concerned with those questions, will become invalid simultaneously with the establishment of the Pacific agreement.

and the Japanese-French agreement concerning Chinese questions, the Japanese-Russian agreement, the Takahira-Root agreement, etc., will also, strictly speaking, naturally be affected by the new situation. The Washington conference has adopted the four great general principles proposed by Root, and it will be possible to establish on them the fundamental principles of an agreement concerning Chinese questions among the nations participating in the conference.

The plenary session of the conference of December 10 approved these four great general principles, and it is reported that Hughes at that session indicated the purpose of concluding a general agreement regulating Far Eastern questions. The agreement concerning China will be shaped by future developments of the conference, but, substantially in accordance with the policy stated under heading No. 1 of our cablegram No. 109, it is desired to bring about the establishment of the four great Root principles as the starting-point. After noting the following points, you will take appropriate action.

1. It is desired to insert in the preamble or elsewhere a statement that the purpose of this China agreement is to assure the peace of the whole Far East.

2. To make the substance of the agreement the four great general principles mentioned above.

3. After the establishment of these four great general principles, it is desired to have an expression in the agreement about the opening of China at least in the sense of [Ed. Note. Possibly, development of resources, if not of mixed residence for foreigners in the interior.] If there is strong opposition to this, it will not be necessary to persist with it, but you will make the utmost effort in accordance with our suggestions on this point in our cablegram No. 131.

4. In the making of this China agreement, you will pay especially devout attention to the passage about geographical propinquity in the first part of heading No. 1 of our cablegram No. 109. It will be difficult for us suddenly to accept the basis of the proposal communicated to you by Hankey and reported

was distinctly retroactive and Albert Sarraut, delegate for France, objected at once.

Japan's representative acknowledged that such a thing was one to wire home about. It ended with them accepting the first three "in principle" and reserving consideration of the fourth.

Hughes Resolution on the Open Door

With a view to applying more effectually the principle of the open door or equality of opportunity for the trade and industry of all nations, the powers represented in this conference agree not to seek or support their nations in asserting any arrangement which might purport to establish in favor of their interests any general superiority of rights with respect to commercial or economic development in any designated region of the territories of China, or which might seek to create any such monopoly or preference as would exclude other nationals from undertaking any legitimate trade or industry or from participating with the Chinese government in any category of public enterprise, it being understood that this agreement is not to be so construed as to prohibit the acquisition of such properties or rights as may be necessary to the conduct of a particular commercial or industrial undertaking. -- ^{The} New York Times, January 17, 1922

Hughes Resolution on the Open Door -- Revised.

1. With a view to applying more effectively the principle of the open

in your cablegram No. 108. Needless to say, this agreement will require formal instructions before definite action is taken.

5. It is desired by all means to have China included in this agreement.

Perhaps if China is included in the agreement and is made to bear the obligations of one of the contracting parties, in view of the peaceful spirit of the agreement and in view of the aspiration expressed in the four great general principles for the establishment of an effective and stable Government, her inclusion may naturally draw the Chinese nation into a peaceful tendency and may gradually produce a solution of her problems on the basis of the abolition of the tuchuns and the demobilization of the troops, questions which are most intimately associated with the internal disorders of China. It might also accelerate the withdrawal of the anti-foreign and exclusive practices of China itself, as mentioned in our cablegram No. 131^① and be accompanied with extremely good effects on the economic development of Japan.

Of course as stated in heading No. 2 of ^[missing] cablegram No. 109, there will be no objection to including in this agreement the other countries participating in the Washington conference.

On January 16 in the Far Eastern committee meeting Hughes offered a resolution to put teeth in the open door generality. Sir Auckland Geddes, British ambassador to the United States and delegate to the conference, suggested machinery for carrying out this idea of propping open the open door. Accordingly Hughes incorporated an international board of reference to maintain the open door in China and tacked on a fourth article that all past concessions might be reconsidered by the board if in conflict with the aforesaid principle.

The reference of any of these contracts to the board was optional. This article

door, or equality of opportunity, in China for the trade and industry of all nations, the powers other than China represented at this conference agree:

(a) Not to seek or to support their nationals in seeking any arrangement which might purport to establish in favor of their interests any general superiority of rights with respect to commercial or economic development in any designated region of China.

(b) Not to seek or to support their nationals in seeking any such monopoly or preference as would deprive other nationals of the right of undertaking any legitimate trade or industry in China or of participating with the Chinese government or with any provincial government in any category of public enterprise, or which by reason of its scope, duration, or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.

It is understood that this agreement is not to be so construed as to prohibit the acquisition of such properties or rights as may be necessary to the conduct of a particular commercial, industrial, or financial undertaking or to the encouragement of invention and research.

2. The Chinese government takes note of the above agreement and declares its intention of being guided by the same principles in dealing with applications for economic rights and privileges from governments and nationals of all foreign

countries whether parties to that agreement or not.

3. The powers including China, represented at this conference agree in principle to the establishment in China of a board of reference to which any question arising on the above agreement and declaration may be referred for investigation and report.

(A detailed scheme for the constitution of the board shall be framed by the special conference referred to in Article I of the convention on Chinese customs duties.)

4. The powers, including China, represented at this conference, agree that any provision of an existing concession which appear inconsistent with those of another concession or with the principles of the above agreement or declaration may be submitted by the parties concerned to the board of reference when established for the purpose of endeavoring to arrive at a satisfactory adjustment on equitable terms.---^{The} New York Times January 18, 1922^o

On January 18 Article IV of the open door resolution was elided on the motion of Sir Robert Borden, Canadian delegate to the conference, after Japan had objected to its inclusion. The other three were adopted. Borden claimed that the fourth was unnecessary for article ^{III} ~~three~~ implied that any two countries might resort to the board of reference for advice and arbitration if they so desired. The Japanese believed that this would not permit the examination of existing commitments, but the Americans differed.

Shidehara claimed that the interpretation of "open door" from the first statement in the John Hay note of 1899 had been broadened. Japan was willing to include Article IV, provided it was amended to specify that it was not retroactive. It was then that Borden introduced his resolution. France agreed with Japan. Sze, for China, was eager to have it retained. For some reason the Americans did not push the matter, but agreed to drop it without further parley. This resolution later became Article III of the Nine Power treaty.

This wasn't the last the Japanese were to hear of existing commitments, however. They reported carefully and quickly every word that the British and Americans had to say on troublesome Article IV, and their own views on the resolution as a whole. They were going to defend their special rights at all costs.

Washington-Tokyo, Conference No. 470. January 20, 1921.

~~Washington-Tokyo, Conference No. 471, January 21, 1921~~

~~Washington-Tokyo, Conference No. 472, January 22, 1921~~

The secretary of state gave an interview to the press correspondents immediately after the decision was made to strike out Paragraph 4 of the Hughes proposals in reference to the open door by the committee on Far Eastern affairs on the eighteenth. After pointing out that they had been in error in placing such exceptional importance upon Paragraph 4, he explained to them that, as the same substance is contained in Paragraphs

1 and 3, the organ that would have been established by Paragraph 4 is planned to become a means for settlement of all questions connected with the open door, and, also, that the present proposals will do nothing more than to extend the doctrine of the open door as introduced by Mr. Hay and render it more concrete, and, finally, that, although America will render assistance in the recovery of the Chinese rights, China must first, of itself, establish a stable government, which, he said, would not be possible except by China itself.

All of the newspapers, however, on the nineteenth gave great importance to the reports of the discussions over these proposals. There were not a few which, in the criticisms that they added, generally made such observations as that Great Britain in spite of having given her entire support to the provisions in the Hughes proposals, had, herself, taken the opportunity to make the motion to strike out Paragraph 4; they expressed displeasure that America had so easily yielded to the opposition of Japan, France and others, and said that it is to be recognized as a failure for America and a success for Japan.

Washington-Tokyo, Conference No. 483, January 21, 1921⁽¹⁾

Referring to our conference cablegram No. 470, in the interview given the press correspondents on the nineteenth by the secretary of state, he repeated his explanation of the previous day. He said that, because he had considered the elimination of article 4 expedient for the progress of the discussions, America had agreed to it; yet, as a result of this, America had not consented to refrain from all discussion of matters which were to have been included in Article 4.

Plenipotentiary Geddes on the same day also made an explanation to the correspondents similar to Hughes' answer. He stated that Great Britain's unwillingness to oppose paragraph 4 as a principle was evident

from her agreement to publish contracts made between China and various foreign countries, and from the consideration she intended to give also to any proposal which the Chinese might bring forward in place of paragraph 4.

The above vindications by both plenipotentiaries were published in the various papers of the twentieth, and in conjunction with the decision to publish the various contracts with China, described in my cablegram No. 470, criticism of the government seemed to subside somewhat.

An editorial in the New York Tribune of the same date argued that this proposal saw constructive achievement in the existence of paragraph 3. Paragraph 4 had been dropped on account of opposition from Japan, but America had ~~formerly~~ assented to the principle formally in paragraph 4. It could be seen merely from a review of China's political situation that no confidence ~~§~~ould be had that this would ever be carried out.

The New York Sun and Washington Star also expressed approval of this proposal.

In opposition to it the New York Times argued that if the Hughes' proposal was something to be applied to future conditions alone, it would be meaningless despite the existence or non-existence of paragraph 4. Also Plenipotentiary Shidehara wished to cut down the application of the principle of the open door by inquiring into it from its origin, but if this were to be accepted, instead of the open door, there would be seen a half open door.

Washington-Tokyo, Conference No. 471, January 22, 1922.

1. The Hughes resolution in regard to the open door has an extremely important bearing on us. We have therefore given it exhaustive study. Whereas there had really been no change throughout in the fund-

amental policy of the Japanese government to respect and adhere to the principles of the open door and equal opportunity over the entire territory of China, the interested powers have naturally been observing very closely the attitude of Japan regarding the discussions in the Washington conference, particularly on the Far Eastern question. In view of this we have considered it most advantageous to seize every favorable opportunity to declare this fair and open policy above mentioned, and, because we considered it harmonious with your first instructions to us, we at first expressed entire accord with the proposal in principle. On reexamining the resolution in detail we concluded there was no objection to giving a general consent, if various points such as the following could be made clear:

1. The resolution has no direct effect at all on already established rights and interests.

2. It does not apply to certain kinds of specified enterprises, that is to enterprises where monopolization up to a certain extent is necessary.

3. This word "monopolistic" has really a very broad sense, being construed to mean monopolizing interests in a general way in this sort of enterprise; and special and preferential rights in particular enterprises, such as our rights and interests in [Note. Ed./Possibly, Manchuria and Mongolia], are not necessarily contrary to the so-called principle of equal opportunity.

4. To bring about a thorough-going realization of this resolution, the Chinese government on its part must respect the spirit of the resolution.

You also are aware from subsequent developments in the discussion of this question and from the proposed Hughes amendment and the course of the discussion of this amendment, that the [Ed. Note. Possibly, views] of the delegates were thought on the whole not to run contrary

to our views, and that therefore we took the initiative and expressed approval.

(Note. End of first section of message. Second section not received. Third section follows.)

Nevertheless, if at this time we persist in making the demand that the above-mentioned understanding be confirmed by the conference, complications in the discussion will certainly be brought on, and particularly a strong weapon placed in the hands of the Chinese, besides bringing on an anti-Japanese reaction, and placing us in a very awkward position either in the question of spheres of influence or of that of the twenty-one demands. It was through our desire not to have this happen that we avoided bringing up this question again at the time when the above-mentioned resolution was discussed. Not only that, but the proposed Hughes resolution has the character of supplementing the Root resolution. Nevertheless, the fact that it does not presume to take any action which would endanger the security of friendly countries is not only made clear in section 4 of the Root resolution, but with respect to the understandingⁿ at the time of the organization of the loan group, Plenipotentiary Hanihara particularly pointed out this fact in the discussion of the question of leased lands in the twelfth meeting of the conference committee. Hughes also at this time confirmed this understanding. Accordingly it is a matter of course that we have not cast away our special rights and interests in Manchuria and Mongolia, and it cannot be thought that there will be any such result induced as the weakening of fundamental principles respecting our so-called Manchuria and Mongolia reservation.

3. In compliance with your instructions at the outset in regard to the opening up of China itself, that is to say, regarding the question of the abolition of anti-foreign and exclusive institutions in China, we desire to present this before the conference in some form or other. The

declaration which happened to be made by the Chinese plenipotentiaries on November 16 in the conference committee on Far Eastern questions to the effect that the natural resources of China would be opened up for the sake of the nations of the world, could be used to introduce this proposal. However, as you know, there have already been protracted complications over various questions concerning China, and, if at the same time we attempt immediately a proposal of this sort, it will create the suspicion that Japan has her self-interest alone as her underlying motive, and would tend to obstruct the regulations. . . .

The geddes Resolution on the equality of and non-discrimination of railway tariffs was adopted January 19 without much discussion. This resolution later became parts of Articles V and VII of the Nine Power treaty.

Resolution on Chinese Railway Tariffs

That it is desirable that a provision to the following effect be in the convention on the Open Door in China:

(indent + double space)

The Chinese government declares that, throughout the whole of the railways in China, it will not exercise nor permit any unfair discrimination whatever, direct or indirect, in respect of charges or of facilities on the ground of the nationality of passengers or the countries from which or to which they are proceeding, or the origin or ownership of goods or the country from which or to which they are consigned, or the nationality or ownership of the ship or other means of conveying such passengers or goods before or after their transport on the Chinese railways.

The other powers represented at this conference take note of the above declaration

(in line with the above)

and make a corresponding declaration in respect of any of the aforesaid railways over which they or their nationals are in a position to exercise any control in virtue of any concession, special agreement, or otherwise.

Any question arising under this declaration may be referred by any of the powers concerned to the board of reference, when established, for consideration and report. --- ^{the} New York Times January 20, 1922 (C)

What was ^a later to be Article IV of the Nine Power pact, the Root resolution on spheres of influence, was adopted without comment January 21.

Root Resolution on Spheres of Influence.

(double space)

The contracting powers agree not to support any agreements by their respective nationals with each other designed to create spheres of influence or to provide for the enjoyment of mutually exclusive opportunities in designated parts of Chinese territory.

The Far Eastern committee appointed a subcommittee January 31 to draft the general treaty on China. All the resolutions on China were reported in the plenary session February 1 and approved. February 3 the Nine Power Open Door treaty incorporating an additional article on consultation, Article VII, was adopted by the Far Eastern Committee. The plenary session of February 4 adopted the treaty and signed it February 6. The United States senate passed it March 29. For text of the treaty, see Appendix VIII.

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Part IV.

Chapter 12

The Far East and Pacific Conference.

Chapter 12.

Find the Villain.

After the general principles concerning China had been formulated and approved, the Far Eastern committee of the Washington conference turned to concrete demands November 22. A satisfactory increase in the flat five per cent import tariff for China was the knottiest of these problems, for Hsu Shih Chang, China's president had demanded complete autonomy ~~four~~ ^{four} days before. Though this was referred at once to a subcommittee consisting of Senator Oscar Underwood, ^{the United States;} Baron de Cartier, or M. Cattier, as alternate, Belgium; Sir Robert Borden, or M. W. Lampson, British Empire; Dr. Wellington Koo, China; Albert Sarraut, or M. Kammerer, France; Senator Luigi Albertini, or Signor Vincenzo Feilèti, Italy; Masanao Hanihara, or Masunosuke Odagiri, Japan; Jonkheer Beelaerts von Blokland, Netherlands; and Captain Ernesto Vasconcellos, Portugal,--it was considered in the general committee as well.

Dr. Koo reviewed the history of the tariff problem. The original tariff treaty fixing the non-differentiated five per cent rate was a direct result of one signed

and China and opened five ports for trade and commerce, besides ceding Hongk^ong and granting a number of other provisions, the most important of which was the surrender of her right to regulate her own tariff. The supplementary treaty of the following year set an undifferentiated rate of five per cent for both imports and exports. Other nations under the most-favored-nation clause signed similar treaties shortly afterwards.

The inequality of the enforcement of the treaty provisions led to another war in 1858 with Britain and France aligned against China. The agreement at the close of this altercation fixed the likin or inland transit tax at two and one half per cent ad valorem, the import and export tariff was continued at the same percent with the addition of a free list of commodities. Though they were entitled to a tariff revision every ten years, the Chinese were never able to obtain it, because of the special interests of other powers.

By the agreement of Shanghai after the Boxer rebellion the schedule of values was revised to make the existing rate an effective five percent. The same year 1902 Great Britain promised to permit the raising of the tariff to twelve and one half percent for import and seven and one half per cent for export, provided the likin was abolished, should the other countries agree. Japan and America were said to have consented the next year, but nothing more was accomplished until 1918 when another revision for an effective five percent tariff was made. Unfortunately a low scale

of values was used and the tariff still lagged.

Underwood wanted a repeal of all tariff treaties, so that there would be nothing to impede any fair agreement that might be reached. This was the chief source of Chinese revenue for foreign obligations as well as for internal financial problems. And what money the Chinese obtained was in spite of inability to make reciprocity agreements, in spite of no differentiation. Moreover, the duties collected were collected by foreigners, banked in foreign institutions and held for foreign obligations first, as were the salt tax and the railroad revenues.

Dr. Koo spoke for the restoration of full tariff autonomy after an agreed period of time. In the meantime he desired the twelve and one half per cent ad valorem with no likin tax and periodical revision of value scales until an investigation could be made and a final decision reached. He even proposed that the rate be set at ten per cent for ten years and afterwards at seven per cent if conditions warranted. On November 23 he asked for free and unrestricted right to fix and differentiate the tariff obtained by three stages: first, an immediate raise to twelve and one half percent January 1, 1922; second, a period of fixing and differentiating their own rates under a ⁺maximum limit⁺; and third, full restoration of rights. If this were granted, Koo promised not to interfere with the present system of foreign collection and primary devotion to the liquidation of foreign loans. Moreover, he thought the governors would consent to banish the likin gladly. This they promised to do two days later if China² obtained tariff autonomy.

(please type sentences in numbered order)

2. She favored a supplementary tariff rate as did France; America, because of her constitution, could not approve a temporary tariff; and England wished to avoid an increase if possible, of ~~if~~ not, to have the additional funds managed by the director general of maritime customs, none other than Sir Francis Aglen, a British subject.

1. Japan had proposed a schedule of supplementary tariff rates as provision for additional revenue for China and had sounded out the ambassadors of the various countries resident at Tokyo during the fall. ³ The British under Aglen had a counter plan. The Chinese rejected it for one of their own: a surtax of twenty-five per cent, flotation of loans secured by these excess funds and the redemption of other loans by the additional revenue from the loans, until an adequate revision of the tariff agreement could be made.

(space)

Tokyo-Washington, Conference No. 47. November 23, 1921.

(Note. Sent in two sections - first section not received.)

Since our foregoing proposal of supplementary tariff rates was made to take the place of the previous regime and since the time for the second revision of rates is drawing very near, the Japanese minister in Peking replied that it was not necessary now suddenly to call for discussion by the diplomatic body.

The views of the various countries in this matter follow:

1. Great Britain is favorably inclined toward the view expressed by the British chamber of commerce in China and accordingly will try to avoid carrying out the second revision or the establishment of supplementary tariff rates. If, however, by any chance, the tariff rates must inevitably be increased, their view apparently is that the administration of these funds should be

placed in the hands of the director general of maritime customs. The British government has given the British minister full power to approve or reject our proposal and his instructions are to maintain a policy by which Great Britain shall continue to have a voice in Chinese affairs.

2. Although the American government did not at first appear to be especially opposed to our proposal, instructions have since been received to the effect that on account of the provisions of the American constitution, it is impossible to approve temporary tariff rates. The American ambassador is requesting further instructions regarding whether he shall continue to maintain the previous policy of the United States when the question of the revision of existing tariff rates and the fixing of supplementary rates is discussed.

3. As for the French government, the French ambassador expressed his concurrence with our views, but, as he is now engaged in collecting the views of French merchants in China and likewise is requesting further instructions from his government, he has not yet decided upon the attitude he will adopt.

There has been no further progress in the matter and the preceding summarizes the present situation. Observers in touch with the situation feel that the real opinion in the British legation in regard to China is that China will bring up the question of tariff autonomy before the Washington conference, that she will not attain her object and that then and then only it will be possible to make progress in the solution of this problem. Aglen, however, made a proposal providing relief measures for the existing precarious financial situation of the Chinese central government. A recent telegram from the Japanese minister in China is to the effect that China hesitated to accede to this proposal made by Aglen and that the Chinese, therefore, in a note dated November 18, had requested the friendly cooperation of all the countries to a temporary plan to take effect only until the accomplishment of the second revision in accordance with our proposition of a surtax, which plan provides for the establishment of a supplementary tariff of twenty-five per cent instead of the present rates, the flotation of loans secured by funds derived

from this source, and the application of this revenue to the redemption of domestic and foreign loans.

No progress has yet been made in framing a reply to the proposal made by the Chinese government.

Japan's chief worry about the tariff increase was to keep England from getting complete control of the Chinese finances under the guise of adequate supervision. Torkichi Obata, Japanese minister to Peking, paints the situation in an account of an interview with Sir Beilby Alston, British minister to Peking.

(22000)
Peking-Tokyo, No. 669. October 21?, 1921.

Tokyo-London, No. 554. October ?, 1921.

London-Washington, No. 440. October 30, 1921.

The British minister called upon me on October ^{... [Ed. note. Possibly, 19]} ~~21~~ and said that according to Aglen, Chinese finances were at present in a hopeless condition and were fast becoming worse. As a result, Peking might at any time fall into a state of anarchy and the situation was extremely dangerous. He asked me whether I had received any reports which would confirm any of these statements. I replied that such rumors had frequently been circulated last spring, but that at the present time I had no special information which would confirm them. He put great emphasis upon the danger of the Chinese financial situation and sounded my views on this question. I refrained from expressing any definite opinion, saying that I had not yet made a sufficiently careful study of the matter.

On the morning of the twentieth, in a meeting at this legation of the ministers of the four powers in regard to the new consortium, Aglen's views were heard. Aglen said that, in view of the fact that the financial situation had come to an absolute deadlock and was in a hopeless condition and since there was no one who could be relied upon to devise a plan to relieve conditions, he had made a de-

tailed investigation of the financial situation. The sums for emergency purposes obtained at high interest from the various banks by the Treasury department had reached an immense figure. At the present time the latter was in a position to make no payments whatever of principal or interest. If the banks were not paid back these loans, the inevitable result would be bankruptcy. If anyone becomes bankrupt, the others [Ed. Note. Possibly, suffer]. On account of the chaos reigning in financial circles the Peking government might fall into a state of anarchy. Actually, the treasury department had been compelled to refuse payments and had over-issues of notes. The soldiers of Kyoo Kei Dai, on account of not receiving their wages, were in a state of unrest and threatened to march upon Peking. Under such circumstances it was important that the powers in the Washington conference adopt a policy of alleviating this danger.

Various questions were asked him and the conference lasted more than three hours. As there was no more time for discussion, the meeting was adjourned until the next day.

During this conference, I suspected that there was some hidden purpose in the act of the British minister and the general financial commissioners in thus suddenly quoting the above mentioned statements regarding the Chinese financial situation and in themselves still further exaggerating them.

As was expected, in a meeting held on the morning of the twenty-first, Aglen's views regarding financial relief measures which were to be presented to the Chinese government with the idea that they form a basis of discussion in the Washington conference were laid before the meeting. They are as follows:

1. If, instead of revising the customs duties, the duties for the coming year were increased twenty per cent, the yearly revenue would be increased \$14,000,000. With this as security, a short-term loan of \$50,000,000 could be negotiated, to be recalled in five years. If all domestic and foreign debts secured by the salt tax receipts were redeemed, the yearly income from that source, \$42,000,000, would suffice to meet the estimated administrative expenses of the central government.

2. These sums would be held in trust by the Banking Association and general

financial commissioners and all movements of government funds, both incoming and outgoing, would be with the joint signature of these **two** bodies.

He was sure that this method of administration would meet with the approval of the Chinese government etc., etc.

This proposal of Aglen's is an effort skilfully to put in the hands of the English the complete control of Chinese financial affairs.

In a meeting on the afternoon of the twenty-first, various detailed questions were addressed to Aglen by the different ministers. Finally the question came up whether the foregoing plan as outlined by Aglen should receive the endorsement of the ministers. I said that I was opposed to the twenty per cent increase of the surtax in the customs, that it was necessary to give very careful consideration to such an important matter as the control of the Chinese national treasury and that I could hardly give my consent. P T D expressed his concurrence with my views and therefore no agreement was reached. Finally it was agreed that each minister was to telegraph his government that the consensus of opinion was to propose in the Washington conference to increase the customs in order to adjust Chinese financial difficulties with the understanding that further discussion should be held, in case this plan was favorably considered by the Chinese government, and that with all the delegates bearing this in mind it was necessary to devise in some form or other a method of administration.

It was agreed that Aglen should submit a report to the ~~Ministers~~ regarding the Chinese financial situation. I am sending a copy of this by mail. It was mutually agreed that this matter should be considered as confidential, which I communicate to you for your information.

As tariff proposals emanated from Washington, Obata's suspicions grew. He suspected England of having a secret compromise with China to get sole control of tariff revenues in her hands. A. H. George, the local British vice-consul at Peking led Teijiro Tamura, third secretary of the Japanese legation to that belief. (Fluctuating belief)
(Sir John Newell Jordan, former British

minister of Peking, had resigned in 1920 when agitation for ^{the} twelve and one half per cent tariff had begun.)

Peking-Tokyo, No. 798, December ?, 1921.

Tokyo-Washington, Conference No. 172, December 16, 1921.

George, acting commercial secretary of the British legation, told Tamura the following on December ... ~~(Ed Note Possibly 19)~~ :

The legation had received no inquiry from the home government in regard to this seven and one half per cent ~~proposal~~ and therefore no special views had been reported home. Furthermore, as the viewpoint of the British merchants in China, he said they desired as hitherto to have as low a rate as possible. Particularly there was no change from before in their claim that considering such facts as non-payment of loans, etc., there should be some method of supervision provided, in order that the Chinese government might not unduly waste these increased funds from the customs tariff. Even if the seven and one half per cent were put into effect, it would be the same.

According to this, the proposal of the British was decided upon independently by the government alone, and, on considering the circumstances of the proposal made to the diplomatic body by the British last year about the time of Jordan's ^(Flut) resignation for a twelve and one half per cent tariff tax on condition of the repeal of the likin taxes, I feel that perhaps some hasty plan such as the one in question was made.

I suppose, however, as in the various points noted in my cablegram No. 699, that the fact that the British minister anticipated at this time that the Chinese government would demand a tariff raise as a commencement of the financial readjustment of China, and the fact that he resolved, in such an event, it would be right to give consent, perhaps came about because the British government felt at heart that a tariff rate of about seven and one half per cent would not give

rise to manufacturing industries in China itself that would compete with British articles. Accordingly it would seem that regard was given to the fact that the surtax in question would not bring inevitable distress upon articles of British manufacture, and to the fact that there were relations naturally advantageous to Great Britain in the question of the control of the added revenue from the tariff increase. ^① ~~and~~ in view of the foregoing Great Britain seems to have desired to draw sole management of this tariff control into its own hands through some secret compromise with China.

Nevertheless, British diplomacy is exceedingly ingenious in hidden points of tremendous consequence which do not strike one in the eye. Therefore we should be duly on our guard against and penetrate into real intention that lies underneath, and then devise a counter policy.

I have spoken with the French chargé d'affaires on the above subject, and of this conversation I shall make report later.

When the subcommittee on the tariff met, Sir Robert Borden suggested a compromise proposal of seven and one half per cent. The Japanese advocated a revision of the actual five per cent as the limit, or at least a lapse of three or four years before the British proposal became effective. Some committee members preferred postponing definite decision until a tariff convention of all nations, including those not present at Washington, could be summoned at Peking or Shanghai after detailed study. The Japanese delegates were inclined to favor the British proposal if sufficient lapse of time were allowed.

Sir Robert Borden met with Odagiri to smoothe out opposition. What Obata thought of the British proposal we saw in No. 172 above. It was Odagiri we see who was responsible for the Underwood resolution on the tuchuns.

Referring to our cablegram No. 24 (Note. Report of second session of sub-committee on Chinese customs tariff) and the question of the customs tariff, three measures are under consideration, as follows:

1. ^{They shall} ~~to~~ continue ^{advocate} ~~advocating~~ a revision of the actual five per cent as the limit,

2. Because of the necessity for detailed study and because some of the countries that were parties to the treaty are not present at this conference, a concrete decision is to be avoided. In its place,

(a) a convention shall be held as early as possible at Peking or Shanghai of plenipotentiaries of the countries concerned, and, in the spirit of helping China financially, they shall consult as to raising the customs tariff on the basis of the seven and one half per cent proposal;

(b) until this time, a surtax shall be levied on a standard corresponding to the existing five per cent.

3. Even if the revision to seven and one half per cent of the tariff rate, as per agreement, is approved, this shall not become effective until three years later, in order that the effect of the raise may be moderated. Until then a surtax shall be imposed corresponding in degree to the present five per cent; but the [Ed. Note. Possibly, likin] tax shall be two and one half per cent.

It would seem from the general trend of the conference that of these plans, No. 1 will be censured something ^[some think for being] without the spirit of helping China.

This point must be perceived in advocating the measure. Measure No. 2 is difficult of adoption by all the delegates, but comparatively little disadvantage will result to our position in case uniform decision is not seen. If it is measure No. 3, then all the countries will be able to agree, and this matter will also have an important bearing upon public opinion in our country. Therefore after you have considered it carefully, please cable us immediate instructions.

We beg you also to consider particularly the point that a delay in reply on our part alone in regard to any questions produces no small disadvantage to our position in the conference.

For your information.

Washington - Tokyo, Conference No 144. December 4, 1921

In regard to the last part of our conference cablegram No. 122, Odagiri at the request of the other side had an interview with Sir Robert Borden for the purpose of an unreserved exchange of personal opinion in regard to the question of the customs tax. The substance of their conversation was as follows:

Odagiri, in response to a question from Borden, said that Japan's hesitation in agreeing to the British proposal in the sub-committee was based entirely on economic reasons. That is to say, among Japanese industries that of cotton manufacture held an important place and about ninety per cent of the over-seas export of cotton was for Chinese markets. Of late years there had sprung up in China a flourishing industry in the spinning of thick cotton thread. The fact therefore that a sudden raise in the Chinese customs tariff would have an important effect upon similar industries in Japan must be given consideration. Nevertheless Japan would not permanently oppose tariff revision in China.

To this Borden said he thought in the matter of the cotton industry, that Great Britain likewise, taking for example the manufactories of Manchester, would not wish for a raise in the Chinese customs tariff; and that the industries of India also were in the same position as those of Japan. However, he explained that, as a result of the claim Underwood had made, ~~that~~ a reasonable increase in revenue was necessary for the strengthening of China's central government, *and* he had made the proposal for increased rate.

Odagiri then described the condition of the cotton spinning industry in Japan from what he knew from his own experience, and said he had cabled yesterday for the opinions of Japanese manufacturers. He thought consideration had been

given to his personal opinion which proposed the existing five per cent for the next four years and thereafter a raise to seven and one half per cent, but he said it was not clear whether or not Japan would agree to this at all. He then explained the relations between the central government and the tuchuns, and he said strict supervision would be necessary in regard to the use of the increased receipts.

Borden replied that although he had stated in the sub-committee that the increased receipts should be ear-marked for the use of constructive industrial enterprises, he had departed from that opinion.

Odagiri went on to say that one menace to China's finances was the pressure of paying foreign loans, for the principal due on foreign loans during this year and next was 120,000,000 dollars. (This did not include the [Ed. Note. Possibly, loans] secured on the customs tax and salt tax, nor the loans of the department of communications). As a counter-measure to this, he proposed long-dated loans, saying it was a question of foremost national importance. Then he said the abolition of the tuchuns would be a radical relief measure, and dwelt at length on this subject.

Borden listened with assent to these various views, and asked concerning the abolition of the tuchuns and the date of paying off the soldiers, as well as the expenditure required.

Odagiri replied that the abolition of the tuchuns and military reform was earnestly desired by the central government and the Chinese people in general, but conditions were such that there was no hope of their carrying this out themselves. The faithful advice of foreign countries, whatever the good results or however hard to follow, would arouse the attention of the entire populace, deal a death blow to the tuchun coterie, and open up a path for the question of military reform. This military reform would divert the pay of the soldiers which had heretofore been subject to abuse in all the provinces, and make it a source of revenue for the central government. Judging from the disposition of the troops, if a proper allowance were made to them, no dis-

turbance would be brought on even if they were disbanded. However, for the greater part of this military reform, there would be needed about

(Note. Text has "1 oku man doru", which translated is 1,000,000,000,000 dollars). [?]

Odagiri explained the above in detail.

Borden then asked, if that were the case, how would it be to make use of the present conference, and take some formal decision in regard to a good policy for the troops?

Odagiri said that would be just the right thing, and then he divulged that he had another plan for the use of the increased customs tax receipts, and that he intended to submit this to the next meeting of the sub-committee.

Borden requested him before presenting it to consent to a private hearing, and, as heretofore before the conference there had been no conversation with Underwood, if Odagiri would agree to having one such private interview, he himself would arrange it with Underwood.

Odagiri replied that an interview with Underwood was very desirable, and asked him to take the trouble to secure it.

Furthermore, in the interview of today, Borden did not speak at all as though he were seeking any assent from Odagiri, to the British proposal. Odagiri's opinion is therefore that Borden intended to make some changes in the British proposal and it was premature for him to say anything then.

In a private interview that he had with Odagiri, Underwood advanced his proposal for the abolition of the land customs rate abatement privilege at land frontiers as part of a plan for the financial relief of China. The former thought Japan would agree to this without much discussion. What he was concerned with was how this increased sum of money was to be spent. He proposed that it be used to strengthen some wobbly loans.

Referring to our conference cablegram No. 171, on December 9 Odagiri had an interview of some two hours and more with Underwood, in regard to the customs tax question.

The latter explained that he wished to make some good and concrete proposal for the financial relief of China now at this time.

1. He said he wished to ~~abolish~~ ^{polish} the [Ed. Note. Possibly, land customs rate abatement and raise the present rates]. Great Britain had already given consent to this. There would also probably be no opposition to it by France.

2. In regard to silk and cotton thread and other merchandise wherein Japan would be greatly affected by a raise in the customs tax, measures should be taken not to increase the rate for the time being, but to do so gradually.

3. Since an increased rate on the export duty was opposed by both Great Britain and America, there should be no surtax imposed on the customs duty as a whole, but a surtax levied at once for the time being on the import duty alone to a degree proportionate with the existing five per cent.

4. The rate, etc., of the raise in the customs tax should be arranged here.

5. The details should be arranged in Peking.

Odagiri said in reply that to No. 1, Japan could probably give favorable consideration. To No. 2, further study must be given. As to No. 3, the proposal for a uniform surtax, was, he said, the outcome of the viewpoint that looked to increased revenue and facilities for China. In regard to No. 4 and the rate of raise, he asked whether Underwood had a general plan in mind.

The latter replied that the proposed seven and one half per cent was to be agreed upon.

Then Odagiri explained that in the matter of China's financial situation, an adjustment of her foreign loan of about 200,000,000 dollars

the security for which was insecure, would be expedient for China. He emphasized the point that increased tax receipts made security for the above re-adjusted public loan issue was a necessary stipulation for the increase of the customs duty.

Underwood, as if he understood this point very well, said more than once that what must be taken into consideration in order to be prepared against any differences in opinion, was, whether the tax was to be increased to provide funds solely for the re-adjusted loan, or whether the increase was to be such as to provide funds beyond that amount.

Washington-Tokyo, Conference No. 214. December 13, 1921.

Referring to our cablegram No. 183, we suppose that if Great Britain, the United States and France consent to the abolition of the land customs rate abatement, there will be no objection to ~~not abatement there will be no objection~~ to our also approving it, but we request urgent instructions whether you have any objections.

Tokyo, however, did not look with favor on this idea. In a cable reviewing past action on such a subject, she reveals her reluctance to give up her newly acquired abatement privilege for merchandise entering China through Chientao from Chosen.

Tokyo-Washington, Conference No. 193. December 16, 1921,

Urgent.

In regard to the last part of your conference cablegram No. 227, no question arose among the countries concerned at the time of the customs tariff revision of 1918 in regard to this matter of abolishing the abatement in rate. Russia alone proposed that the revised tariff rate should not be carried out with respect to the land frontier customs tariff. In regard to this we did have our representatives declare in the committee

meeting that it was necessary to have the revised tariff rate and the land frontier rate operate uniformly; but of course this was not meant to abolish the one third abatement privilege, and we and the other interested countries had negotiation after negotiation with the Chinese government on the basis of this meaning. As a result the revised tariff rate now in force has come to be operative uniformly with a one third abatement for land frontiers. An understanding has been established between Japan and China in regard to having the privilege strictly enforced with respect also to merchandise passing through the Chientao region where heretofore the one third abatement privilege was not in force.

But she finally consented December 26 provided that when the seven and one half per cent tariff began, the rate for all land tariffs was identical, and provided that China would give guarantee of the removal of tariff restrictions on the Russo-Chinese borders. She demanded, however, that the special tax system of goods in transit to Yunnan and Kansu, provinces in the extreme south of China bordering on French-Indo-China, from Indo-China be changed.

Tokyo-Washington, Conference No. 241. December 26, 1921.

Referring to heading "a" of your conference cablegram No. 214, if Great Britain and France consent to removing the restrictions on land tariff rates and in case it is impossible in view of the general situation for Japan to advocate the maintenance of these restrictions, (1) there is no objection to approving their abolition, on condition that, at the same time the effective seven and one half per cent rate is put into operation, an identical rate is fixed for all land tariffs, and that

China give a guarantee of the removal of tariff restrictions on the Russo-Chinese border, especially in view of present conditions in Russia.

With reference to this approval however, (2), since the effect of the abolition of this restriction is that countries contiguous to China are all to relinquish equally the various advantages connected with tariffs growing out of their proximity, and since the proper course therefore is that, upon the removal of these restrictions, goods from the various foreign countries shall thenceforward be imported into Chinese markets on an equal basis with goods from countries which are contiguous to China, you will at once call to the attention of the Washington conference the necessity of changing the existing special tax system applied to foreign goods in transit to Yunnan and Kansu from French Indo-China, and take proper means to have this abolished and to explain our position in accordance with the policy of our government decided upon in the cabinet council.

Needless to say, the increase in the amounts which Japan is forced to pay in consequence of the abolition of the tariff restrictions is very large compared with that of other countries. This abolition, therefore, together with the abolition of the three-line through rates, must necessarily have an unfavorable effect upon our Russian trade with Manchuria. If our aforesaid policy, (1), should become the question of the moment, and in case it becomes absolutely necessary to state our case, you will investigate thoroughly the views of the various powers, and, in case you consider such a course inevitable from the general trend of developments, you will then and then only bring up this point.

With reference to our above mentioned policy (2), as stated in our conference cablegrams Nos. 79(- a cablegram from consul at Saigon) and 97, the system is that the countries concerned are to share equally the disadvantages entailed by the transit taxes in China, but in the case of Japanese goods, since we have no treaty agreements with that French territory, the general tariff is applied, and since the transit tax is fixed at one fifth

the amount of the import duty, the transit tax is higher on ours than on other foreign goods. Upon the abolition of tariff restrictions, contiguous countries in importing goods into China are all to relinquish tariff advantages based upon proximity. The maintenance by France alone of this transit tax on foreign goods in transit and the protection of goods from her own country imported into China are quite at variance with the very essence of the so-called principle of equal commercial opportunity and we feel that it is an untenable position. Japan on the other hand, since the time of our preparation of a general policy at the Paris peace conference, has had a fixed policy of abolishing any system which obstructs the freedom of commerce, for instance, the withdrawal of transit taxes in

h [Ed. Note. Possibly, Korea]. We have already advocated this measure in the both meetings of the League assembly and it is the subject of our recent conference cablegram No. 150.

Therefore in connection with the arguments for the abolishment of tariff restrictions, we desire you to pay the greatest attention to the abolition of this transit tax. We hope that it will be abolished and we do not consider that our demands are by any means excessive or inopportune. You will therefore take every possible means to attain our aspirations in the Washington conference, and, if the developments in the conference preclude such a course, you will at least have our claims made a matter of record in the proceedings so that they may be made the basis for future negotiations.

The British, as we have seen, were active with proposals to aid the Chinese financially even before the conference, though the merchants in China did not favor a rate raise. (flat) (See Nos. 144, 193). On October 21 Aglen showed Obata a plan which he intended to present to the Chinese government as a basis for action at Washington: this included an increase of twenty per cent in duties as security for short term

loans, the sums to be held by England, America and the general financial commissioners.

The Chinese, however, did not accept Aglen's plan, which was changed to a supplementary tariff of twenty-five per cent, whose returns would finance loans to pay off other domestic and foreign loans. They wanted international cooperation for a temporary plan until tariff revision.² ^(Foot) (See No. 47)

Since the British in China were opposed to an increased rate until the likin was abolished, the home government favored a seven and a half per cent tax as not high enough to protect any industries that might compete with British articles.¹ ^(Foot) ~~(See No. 47)~~ the Shanghai chambers of commerce of England and America opposed the raise, so the Shanghai vice-consul, K. Uchiyama, learned from the local assistant of the British commercial attaché at Peking.

Tokyo-Washington, Conference No. 195. December 17, 1921.

Referring to our cablegram No. 172, we transmit below cablegram No. 278 of December 16 from Shanghai, and for your information we will state that Tokyo-Peking cablegram No. 680, which it mentions, instructed the minister at Peking to have an inquiry made into the views of the British Legation and British merchants concerning the proposal of the British representatives for a seven and one half customs rate.

Referring to cablegram No. 680 from Your Excellency to the minister at Peking the local assistant of the British Commercial Attaché ^{Foy} ~~W. H. Foy~~ said that it had been reported that the British had proposed the effecting of a seven and one half rating, but so far he had received no questions about it. He commented that Englishmen in general were opposed to increasing the customs

rate so long as likin was not absolutely abolished. The Shanghai British Chamber of commerce had protested individually to the British government and the commercial attaché had telegraphed similar views in opposition.

For the sake of certainty the secretary of the Shanghai Japanese chamber of commerce has had to inquire directly of the secretary of the British Chamber of Commerce and reported that the latter made practically the same reply and added that the American chamber of commerce was also to cable its opposition to the project to its government.

At the third session of the sub-committee on tariff December 27 Underwood advocated an immediate effective five per cent instead of the present nominal three and one half per cent ad valorem, urged that a committee be appointed to study China's needs and adjustments for an eventual twelve and a half per cent tariff. Three rates were proposed. Japan wanted to keep an effective five per cent, Great Britain preferred a seven and a half per cent, and America wished the high rate as soon as possible.

Borden introduced a new British proposal including the abolition of the likin. Just what Borden's proposal was we cannot say, for that message is missing. We do learn that contrary to popular belief the Sino-Japanese commercial treaty of 1903 did not grant an increase to twelve and one half per cent on certain classes of goods similar to the Sino-British treaty as was commonly believed, according to one of the signers of the treaty himself, - Masunosuke Odagiri.

Washington-Tokyo, Conference No. 294. December 27, 1921.

Referring to our conference No. 124 (minutes of second session of committee

on Chinese customs (tariff November 30) the third session of the sub-committee on tariffs was held at 3 o'clock on the afternoon of December 27. The French delegate, Kammerer, attended instead of Sarraut. The attendance was otherwise the same as at the previous meeting.

Underwood, the chairman, said that this meeting of the sub-committee was postponed for various reasons of expediency. Borden said that during the past few days he had had informal conversations from time to time with the acting Japanese delegate, Odagiri, and that he, together with Chairman Underwood, had also had an interview with Plenipotentiary Delegate Koo and had made a special effort to find a point of contact on this matter. Setting aside the previous proposal, he would now like to make a new proposal. He then made the statement reported in our accompanying cablegram No. 295.

The Belgian delegate proposed that this should be discussed after each delegate had given adequate study to it. It was finally decided to adjourn the meeting until the next day at 3 o'clock, but the French delegate said that he wished to make one statement before the adjournment, i.e., as each country has its own national laws, even though judgments might be passed upon such matters in the conference, a necessary condition of their validity was that they be ratified. Underwood replied that such was naturally the case since the approval of more than two-thirds of the United States senate was required; he added that the results of the discussions in the conference did not have the character of decisions. It was very embarrassing to him, but so far as the delegates of the powers would permit, he wished that some decision might be reached.

Odagiri said that he would like to call the attention of all the delegates by way of precaution to clause 1 of Borden's proposal. He said that in the supplementary Sino-Japanese Commercial treaty of 1903, Japan had consented to an increased customs rate on certain classes of goods, but that this rate had not been set at twelve and one half per cent as was the case in the Sino-British Treaty. With reference to the computation of the amount of increase in the tariff rate which would compensate for the loss of revenue resulting from the

abolition of likin, a difference of opinion had arisen between the Japanese and Chinese delegates. As he himself had been one of the signers at that time, he felt that he was qualified to say a word about the history of this question.

Koo then expressed the hope that the friendly cooperation manifested by Borden relative to Article 1. of this proposal would be given by all the powers.

In the articles of this agreement, were some things which had not been discussed in the committee, and others in which changes had been made. After further consideration he would express his views.

From Tokyo's reaction to the Borden proposal ^{one gathers} that there were six parts with the follow-

ing aims: part one expressed a desire for the eventual twelve and one half per cent tariff; part two asked for an effective five per cent as soon as possible; part three levied a surtax of two and one half percent on existing values to supplement revenue, a fact that would make the effective five per cent tariff an actual effective seven and one half per cent tariff when revision was completed; part four is unguessable; part five provided for the retention of the present customs administration, (a thing to which Japan was very much opposed, for she had decided that Great Britain was trying to corner the Chinese revenue market and she wanted to be sure that she had equal control over the finances, for her commerce with China was greater than that of any other nation); part six desired to abolish the bargain rates in land customs duties. ^(That to follow call) (For No. 154 see below.)

Note that although the Japanese trade with China was greater than that of any other country, the Japanese asked only for equality in administration of customs and equality in control of funds not for superiority as did the arrogant Anglo-Saxon in the saddle. Perhaps

it was merely because they knew they would be lucky to get their just due.

Tokyo-Washington, Conference No. 271. December 31, 1921.

Referring to your cablegrams Nos. 294 and 295, (proceedings of Underwood sub-committee December 27 and text of Borden proposal), there are the points in the Borden proposal which we find difficulty in perfectly understanding as there is no accompanying explanation.

1. Our cablegram No. 154¹ stated that the Japanese government attached the greatest importance to the supervision of the custodian bank of the increased customs collections and to the regulations of the customs system. This was the third point in your conversation with Underwood and Borden reported in your cablegram No. 246 (meeting of December 15). In spite of this our wishes are not carried out in this proposal. Please cable at once whether you secured from the representatives of the powers ⁿany understanding as to carrying out our wishes in this respect. If not, this is the same as the case of the withdrawal of post offices.

Clause No. 5 of this proposal has a provision that the present administrative system of the customs shall not be disturbed. As you know, and as can be seen from the so-called Aglen proposal, Great Britain under the name of maintaining the present administrative system is planning gradually to get the control of the Chinese customs into her own hands. In this connection it is natural and a matter of course that our country, which as a matter of fact has the largest commerce with China, should claim an equal position with Great Britain in reference to these points.

You will therefore make the greatest efforts to carry through our contentions in this respect, and at any event you will see that authority to settle this point is given to the Shanghai tariff revision commission in order that our members may make good our contentions.

It is a possible conjecture, however, that the substance of our claim is indicated in Clause No. 6 of the Borden^en proposal. If this is really the case, the text as it stands is objectionable on ground of lack of clearness. It is therefore desired that Clause 6 be made part of Clause 5 and changed to read "... it is, however, understood that in all matters relating to customs" - (purposely omitting the single word "duties") - there shall be effective equality" etc., etc., and it should be clearly noted in the minutes that this is our meaning.

2. The twelve and one half per cent provision in clause 1 of Borden's proposal involves the matter mentioned in the last part of your conference cablegram No. 294, and you will note that for its adoption it is necessary to have a new Cabinet decision.

3. According to clause 3 of Borden's proposal, it is understood that before the effective five per cent comes into operation, the surtax is to be collected on the basis of the existing rate. In that case it is reckoned that when the effective five per cent revision is made, an effective seven and one half per cent will result. You will therefore endeavor to take appropriate measures in the sense of the first part of our policy as outlined^d previously in our conference cablegram No. 154.

4. The phrase "effective equality" in clause 6 of Borden's proposal should not prevent the establishment of graduated tariff rates, such as those mentioned under heading 3 of the second part of our conference cablegram No. 154, and in compliance with this necessity you will have this stated clearly.

5. With reference to the abolition of special reductions in land customs duties mentioned in Clause 6 of Borden's proposal, you will take the measures indicated in our conference cablegram No. 241.

Baron Hayashi, ambassador in England, after a chat with the Chief of the Far Eastern

the Burlington embassy
Section, informed ~~that~~ that the British suspected the Chinese of asking for a twelve and
tariff in order to attain a seven and one-half per cent
one half per cent import levy and ^{to} get to keep the likin. Hayashi wanted the likin ab-

olished and considered it a mistake to consent to the seven and one half per cent tariff as long as it was permitted.

London-Washington, No. 2

January 2, 1922.

During an unofficial conversation with me, the Chief of the Far Eastern Section told me, in reference to the revision of the Chinese customs duties, that there is hesitation about agreement to the seven and one half rate, and, in reference to this, it appears as if China, on the one hand proposing the abolishment of the likin tax and a twelve and one half per cent rate, and, on the other hand, being contented with a seven and one half per cent rate until the abolishment of the likin tax, has no expectation of a twelve and one half per cent rate, there being no prospect of the realization of the abolishment of the likin tax. Concealed behind their advocacy of these proposals is a secret design to get the increase made to seven and one half per cent. It would be wrong for the powers to let the likin go and consent to the seven and one half rate.

I do not know whether this is in the mind of the British at Washington, but I report it for what it is worth.

There were several proposals made in the subcommittee before one was found on which all could agree. On December 2 we saw that there were three proposals before the committee, an immediate revision of the five per cent rate; a surtax on the present rate until an international committee could investigate; and a seven and one half per cent effective after three years supplemented by a surtax on the present rate and retention of the likin. (stint)

(See No. 133 above.)

On December 9 Underwood suggested the following to Odagiri: abolish the land customs

rate abatement, raise the present rates to seven and one half per cent, increase gradually the rate on Japanese products, levy the surtax solely on imports, and arrange a general rate raise at once, but leave the details to a future conference in Peking, the rate to depend on the funds required.

Tokyo had her own ideas as to tariff revision. She wanted a gradual increase during a period of three to five years of a surtax of thirty- to fifty percent on the present five per cent ad valorem rate on certain classified items to be selected at an immediate conference in Peking or Shanghai where the custody and control of the additional receipts would be decided. Because most Japanese exports to China were cheap and of low grade, she thought it smart to have the new rate high on luxuries and high grade articles, -most of these came from France, - and low on necessities and low grade articles. This idea was not to be given the conference unless necessary but to be saved for the actual committee of revision. The most important thing in her eyes, remember, was obtaining a future guarantee of the expenditure of revenue and equal control of custodian banks to prevent seizure of the right of control of Chinese finances by director general of Maritime Customs Aglen.

Tokyo-Washington, Conference No. 154. December 10, 1921.

Urgent.

In regard to your conference cablegrams No. 122 and No. 133, we think there will probably be difficulty in getting the conference to recognize our claim in regard to the thirty per cent surtax on the existing tax rate.

Therefore the government has decided to approve the British proposal regarding an actual seven and one half per cent, but at the same time it has been decided to get the conference to recognize that for the purpose of mitigating the sudden effect which will thereby be exerted upon our trade with China,-

1. This seven and one half per cent tax shall be carried into effect within a suitable period of years, that is to say from three to five years.

2. As a measure until this is put into effect, a surtax of from thirty to fifty per cent on the existing tax rate shall be allowed.

3. Again, with the object of putting into effect this actual seven and one half per cent tax, the interested countries, including China, shall hold as soon as possible either at Peking or at Shanghai a meeting of a preparatory committee on revision. This committee, besides being made to confer and agree upon the classification of assessed tariff items, shall be made to investigate a concrete plan for such questions as the custody and the control of the tariff receipts and the use of the increased receipts, which plan shall be based upon the principle of equality and the present situation in China, and shall take into consideration the trade relations between the interested countries and China.

The cabinet council has already passed decision on the above. We therefore request you to take proper steps based on this policy of the Japanese government.

The following are points which we have in mind and wish to have duly emphasized in the conference:

In regard to No. 3 of our policy above noted, we in the excess of our desire for the stabilization of the political situation in China are putting up with the great blow we shall sustain in our commerce with China, and are approving of the raise of the present tariff. Accordingly it is very necessary that this additional revenue be appropriated for whatever expenditure is necessary to real betterment of China. It is just this question of what the use shall be upon which the Japanese government places great weight. Such an explanation as that made by the Chinese committee, part 2 of your conference cablegram No. 117 (Note. Session of sub-committee on Chinese customs tariff November 29), to the

effect that the additional revenue will be used for public enterprises by the government, can scarcely be relied on when viewed in the light of the present state of affairs in China. Judging also from the experience of former years we are positive that no advantageous results can be produced by anything like a foreign advisory board in control of China's finances. Due heed must be given that the Peking government's military expenditures are not augmented through the additional customs taxes and as a consequence the internal quarrels prolonged, thus making the result of the tariff raise disastrous rather than otherwise to the Chinese people.

We wish, moreover, to have the following three points determined upon in the conference:

1. Some safe plan shall at this time be worked out beforehand among the powers in regard to a future guarantee for the use of the above funds.
2. A suitable method shall be worked out in regard to the operation of the customs tariff system, that is to say, with respect to the sphere of the custodian bank and the ^oallotment of Japanese customs office personnel, suitable adjustment shall be made on the ^sbasis of the principle of equality and taking into consideration our trade relations with China, thus preventing as a result of the seven and one half per cent raise the practical seizure of the right of control of China's finances by the director general of the maritime customs.
3. Formerly the articles of export from Japan to China were of low grade compared with those of Europe and America, and furthermore a competitive manufacture of these articles had come to flourish within China itself. In this tariff raise no proposal for increased rate is made in the tax of origin (production tax) as regards articles manufactured with foreign machinery. As a result of this the blow to commerce with China through the tariff raise will fall very heavily upon our country and very lightly upon Europe and America. It is in view of this that we have based our intention to bring about fairness through a revision of the assesment increase, and, in the assesment of the new tariff rate and the classification of the new tariff items, to proceed on a graded principle,

making the rate high on luxuries and high grade articles, and low on necessities and low grade articles.

In view of the circumstance that Great Britain will attach great importance to the point in the British proposal of making no change in the present maritime customs system and that France will have an objection to a graded tax, we consider it expedient at this time not to propose terms for our recognition of the seven and one half per cent tariff, but to have this included within the scope of the authority of the above-named committee on revision, and have the claim made at the meeting of this committee.

With the above in mind, will you please, if it is a possible thing, take proper steps to devise advantageous measures in advance for the accomplishment of our aims in the committee on revision and do all you can to get this noted in the minutes of the conference.

Furthermore, our tariff assessment^S proposal (Note. 2 of our policy noted above), which would make the surtax, until the actual seven and one half per cent rate is enforced, from thirty to fifty per cent above the tariff rate now in force, represents the limit to which we will go in acceptance of the tariff increase. This is very necessary in order to mitigate the sudden effect on our trade with China. We desire you accordingly to do your utmost to have the provisional rate of increase decided within the above limit.

Even if there is a change from our proposed tariff surtax and an actual revision of five per cent made, in case the average valuation during the years 1917 to 1919, or the years 1917 and 1918, is taken as a standard, the estimate is that it would be about a thirty-five per cent increase on the tariff rate now in force. If the years 1919 and 1920 are taken as the standard, there would be an increase respectively of fifty or sixty per cent. Therefore please bear in mind that there is no objection to approving of an actual five per cent proposal in case such plan of revision is proposed.

Furthermore please bear the following in mind: Even with respect to revision of an actual seven and one half per cent tariff, such differences in the rate of increase as above mentioned will be produced according to the year taken as a

standard, and therefore we wish to have these points as far as possible discussed and decided on at the meeting of the committee on revision. Yet if the present conference should by any chance also make a decision, please bear in mind that it will be to our advantage to have the average valuation standardized by either the two years, 1917 and 1918, or the three years, 1917 to 1919.

Also please bear in mind that, although the treaty now in force prescribes that the "teidai" or likin(?) tax shall be one half of the import tax, we wish, as in the British proposal, not to raise the rate on this, but to leave it at two and one half per cent ad valorem.

When Odagiri presented the views in No. 154 privately to Underwood, he approved the idea of a graduated increase, a supplementary surtax and a preparatory committee for revision, but he appeared doubtful of Japan's desire for guarantee of funds and a new system of operation of custodian banks. The idea of differentiation of tax according to type of article met with silent approval.

Washington-Tokyo, Conference No. 227. December 14, 1921.

Referring to your cablegram No. 154, Odagiri had an interview with Underwood on December 14 and communicated to him our views on the basis of the instructions in that cablegram.

Underwood indicated that points Nos. 1 and 2 and, of course, point No. 3, which was emphasized by Odagiri, in part one of that cablegram were worthy of consideration, but apparently considered that there was considerable question about our aspirations in regard to points Nos. 1 and 2 in part two of the cablegram. In regard to point 3 he made no comment and it is considered in general to have made a good impression. On suggestion of Underwood, Borden will be added and the three men will discuss the subject on December 15.

the
On/previous day, the thirteenth, Underwood had told Hanihara that the United States attached great importance to the abolition of the land customs abatement rate, and today he used the same words to Odagiri. Although we consented to this in the customs revision committee in 1918, for the sake of certainty we request you to consider the matter and cable instructions at once.

Borden's new proposal of December 28 called forth much discussion. The Japanese consented to the effective revision of the five per cent rate and gave up their plans for the settling on a graduated rate at once. All this was to be left for the special committee.

Washington-Tokyo, Conference No. 302, December 29, 1921,

(Note. Sent in two sections-first section not received.) (Apparently report on committee meeting of December 28 which was more fully reported in No. 306).

We considered that since it was foolish for us alone to oppose the effective five per cent revision in this decision, and since we had no good grounds for having the principle of the graduated rate recognized in this amendment, we thought it undesirable to carry out contentions further in view of the general trend of the situation. We therefore were forced to relinquish this claim. With reference to the two and one half per cent surtax also, in view of the results of our previous informal conversations with the British and Americans, we considered that however favorable the situation might seem, our advocacy at this time of the recognition of the principle of the graduated surtax might react disadvantageously against us. After consultation with Borden and Underwood, a compromise was proposed out of consideration for the Japanese aspirations in this matter, namely, that special terms in putting the two and one half per cent surtax into operation should all be formulated later and referred to the decision of the special committee. In view of this we gave our consent not to press our claims further on this point at present.

Part of Clause 1 of the Borden proposal apparently provided for the tariff revision committee which would assemble at the invitation of China. Clause 2 had something to do with a conference on the likin and the complementary surtaxes. The Chinese delegate was dissatisfied because no definite surtax was determined, no definite date was set for its effect. Underwood admitted that this was a compromise proposal and implied politely that if the Chinese didn't like it, and continued to raise a row, they would have to do without even such a vague proposition. The French suggested an additional two and one half surtax on luxuries. Clause 3 dealt with surtaxes. Both Japan and France wished to control the disposition of increased revenue by allotting it to the payment of foreign loans and the redemption of Chinese treasury notes.

Clause 4 dealt with periodical tariff revision. In connection with Clause 5, which secured equality of treatment and opportunity in customs, Odagiri set forth the case for Japan as to an increase of nationals in proportion to trade interests. Clause 6 recognized uniformity of all customs whether land or maritime (D)

And then the trouble began. There was a great to do over the land customs rate abatement for produce in transit in French-Indo-China before it was settled. The French resolutely opposed any change in the rate. Theirs remained the dissenting voice to Clause 7 that sought to set the transit charge at two and one half per cent until further revision. Clause 8 invited others who signed the Chinese tariff agreements to join this one and Clause 9 was a superseding provision cancelling previous conflicting agreements.

Washington-Tokyo, Conference No. 306, December 29, 1921.

Referring to our conference No. 302, the fourth session of the sub-committee considering tariff questions was held on the afternoon of December 28. The Italian representative, Pogliano, took the place of Albertini. The others present were the same as in the previous session. The chairman requested the views of the various members regarding the new proposal brought up by Borden at the previous session. The Chinese delegate said that he did not venture to oppose making Borden's proposal a basis for discussion, but that he wished to make clear that in the points previously proposed by China, the Chinese could not yield in respect to the res^toration of tariff autonomy when the proper time came and the designation of a maximum rate with in a certain time limit. He asked the opinion of the chairman regarding the order of procedure, whereupon the chairman at once replied that as he thought there was no objection to making the Borden proposal the basis of discussion, if it was agreeable, a general discussion would first be held and then detailed consideration of each clause. All the delegates assented to the suggestion of the chairman with the exception of the French delegates, who replied that he had no objection to anything except Clause 1 of the original proposal. The discussion of Clause 1 began at once.

With reference to the last part of Clause 1 Odagiri with a preliminary statement that he had an amendment in view, explained that at the time of the conclusion of the supplementary Sino-Japanese Commercial treaty of 1903, Japan did not approve of the twelve and one half per cent rate as the British and Americans did. He proposed an amendment in this sense. To this the Chinese delegate replied that he feared that such an amendment might perhaps weaken the force of the treaty. Underwood said that as tariff rates, etc. were to be left to the decision of a special committee, there was no occasion for anxiety about weakening the force of the treaty. Borden nodded to signify that he concurred in this opinion. After various arguments pro and con, an amendment was adopted as stated under heading "a" of part 1, of our conference

cablegram No. 302. (This cablegram is meant by the references below to "previous cablegram"). The Chinese delegate, however, asked when and how this special committee would begin its activities. The chairman replied that later China herself would invite the various countries to come to an understanding about the proper means to be taken.

2. The last part of Clause 2 was amended as stated in part 2, of our previous cablegram. The Chinese delegate proposed that some time limit be fixed, such as four months for example, and Borden accordingly proposed to make this change by inserting a parenthetical phrase, but it was pointed out by the Japanese, Belgian, French and other representatives that it would be difficult to carry out such a provision. Odagiri especially asked what would happen if it were not completely carried out within the four months. Borden replied that such a case was only conjectural and that as the sole aim of this amendment was to have the revision put into operation as soon as possible, it surely was not necessary to quibble over the wording. The amendment was passed.

The French delegate said that the point was clear that the revision of tariff rates should be put into operation without waiting for ratification, but that he thought that the present resolutions regarding this matter might later be put in the form of some kind of treaty or agreement. If this were done, he did not feel that it would become valid in the time ensuing before ratification was accomplished. Borden replied that such naturally would be the case.

3. With reference to heading "a" of part 2 of our previous cablegram, Odagiri asked by way of precaution regarding the first part of Clause 3. Borden explained that the meaning of the words omitted was obvious from the context, i. e., after the abolition of likin and the other terms had been put into effect and the surtax levied on certain classes of articles, if the circumstance should arise that likin was restored, the above right to impose a surtax would become non-effective from that time and the situation

would revert to that existing before the abolition of likin. After some discussion this was held to be a logical consequence and it was finally decided to omit this passage.

In connection with heading "b" or part 2, of our previous cablegram, the Chinese delegate said that the meaning of the phrase "the levying of a surtax" etc. was extremely vague and that as it stood, depending upon what might be the views of the special committee which was to be instituted at some future time, it was possible that no additional surtax would be levied after all and he exhibited dissatisfaction. Underwood said emphatically that it was desirable to make as definite provisions as possible, as desired by the Chinese delegate, but that, if any more specific statement were made than that in this proposal, it would probably result in objections being brought forward in every country, and this would particularly be the case about the date of putting it into effect, etc. Borden said that he had given serious consideration to this question as a result of the informal conversations and that the whole matter was one which should be "mandated" to the judgment of the special committee. Underwood then said that this clause was a compromise proposal taking into consideration the various conditions and that, although it was of course conceivable that no decisions would be made later in the special conference, this was merely a compromise proposal, as he had just said, and there was no help for it. If the Chinese plenipotentiaries persisted in their opposition, it might finally be impossible to establish even such a compromise proposal. In the meantime the French and Belgian delegates had also indicated their approval of the remarks of Underwood and Borden. The Chinese delegate then expressed thanks to Underwood and Borden for their friendly offices in the framing of the compromise proposal and proposed to insert heading "b" in part 2 of our previous cablegram, and to substitute the word "determine" for "agree" ~~and~~ under "2". They also requested permission to change "not exceeding" under heading "e" to "of". The delegates assented unanimously

This amendment of heading "e" is a point essentially connected with our interests, but Odagiri had previously indicated to the British and American delegates in the informal conversations his assent to an increase in customs rates to seven and one half per cent after a specified year, and the foregoing remarks of Borden and Underwood are also to be noted. We thought that, under the most favorable circumstances, the advocacy of such a proposal, as the levying of a graded surtax making a further distinction between various classes of ordinary articles in addition to articles of luxury, would at this time be merely a waste of words and it might even, as stated in our previous cablegram, react disadvantageously against us and we therefore did not oppose any objection to this point.

Then, with reference to heading "f", the French delegate said that as the meaning of the phrase about luxuries was very broad and ambiguous, he favored making this meaning perfectly clear and fixing a limit for the surtax on luxuries. The Belgian delegate said that all these points were matters which should properly be left to the discretion of the special committee, but the French delegate insisted that it was proper to fix the limit of the surtax on the various articles of luxury in the same way as was done in the case of the general surtax. He said that France had no objection to imposing in addition to the general surtax, a second surtax upon luxuries up to two and one half per cent. Therefore, it was finally resolved to insert heading "f" of part 1 of our previous cablegram as proposed by Borden.

The motion was then made to approve Clause 3, but Odagiri said that a previous condition to his approving the surtax in this clause was that he would not be bound by the arguments of this sub-committee. In conformity with the spirit of heading 3 of part 1 of your conference No. 154, he made a detailed statement to the effect that the manner in which the increased revenues were to be used was a point upon which the Japanese government placed great weight and that he thought it a matter of urgent necessity to apply the increased revenues to the redemption of foreign loans. The French delegate said that he fully concurred with this view and added emphatically that an

appendix might be added to the effect that the increased revenues provided for in the last part of Clause 3 would first be applied to the payment of foreign loans and then used for the redemption of Chinese Treasury notes and that at least it was necessary to make some decision at this time regarding the disposition of these funds. Borden replied that this increased revenue would be produced only after a number of years and therefore this matter was one which it would be more appropriate for the special committee to decide. Underwood said that as it was clear that by interpretation of the word "condition" in this clause, such questions should be decided by the special committee, it was not necessary to insist upon discussing it further at that time.

The Chinese delegate said that it certainly would be impossible to accept the proposal of the French delegate, which would lay down restrictions regarding the proper use of the national revenues derived from the annual tariff receipts, and that such a proposal was equivalent to controlling by an international treaty the yearly receipts and expenditures of China. He explained in detail his dissenting views. Underwood then proposed to compromise by inserting the words "and including allocation of such revenue" after the word "conditions". The Chinese delegate expressed his thanks to Underwood for his spirit of conciliation, but said that China in the first place had earnestly desired a tariff rate of twelve and one half per cent or more, but that, acting in a spirit of compromise, she had agreed to a rate of seven and one half per cent. He did not venture to say that this was an unjust demand, but it was impossible for China to consent to the placing of restrictions upon the disbursements of the funds. He cited as a recent example of the cause of financial stringency in China the incident of the Banque Industrielle de Chine. The French delegate protested against thus mixing public and private issues. Borden proposed to make an insertion as in heading "c" of part 2, of our previous cablegram. Underwood made an explanatory statement that Borden's suggestion made the meaning of the original text clear and therefore would, on the one hand, be in accord with

the desire of the French delegate, and, on the other hand, this sense would alleviate the opposition of the Chinese delegate. Borden then said that if the plan to form a special committee was adopted, if it were given full competency and all matters difficult of solution by this conference were left entirely to its discretion, there was nothing to injure the national pride of China. He and Underwood both took the attitude of pressing China to approve, and finally the Chinese delegate gave his assent and the motion was passed.

4. Clause 4 was passed without dissent.

5. With reference to Clause 5 the Chinese delegate emphasized the fact that the present tariff organization had not been prescribed by any treaty, but that an agreement had simply been reached with reference to the office of director general of maritime customs, and that China in accordance with the advice of the director general of maritime customs hoped later to bring about an improvement in the present system and to utilize as large a proportion as possible of her own nationals. He said that the aim of this clause was as stated in our previous cablegram All the delegates assented to this.

With reference to the foregoing, Odagiri, in the spirit of heading 2 of part 2 of your conference cablegram No. 154, made a detailed statement to the effect that he hoped the questions of the custodian banks and the assignment of foreigners to positions in the maritime customs would be suitably adjusted in future and that this wish would be considered by the special committee.

First the French, and then the Belgian and Dutch delegates signified their approval of the foregoing. The Chinese delegate said that this matter was not on a treaty basis, but that he had no objection to the discussion of the matter in the special committee. Underwood said with reference to the point made in the statement of the Japanese delegate that while he thought that the United States was rather satisfied with the present situation, at the same time the Japanese aspirations were legitimate and there was no

reason why opposition should be made. Therefore, he felt that it was fair that suitable arrangements should be made in proportion to the amount of trade which each country had with China.

6. Clause 6 was passed without objection.

7. With reference to the abolition of the reductions in land customs rates, the French delegate said that this matter had been on a treaty basis for a long time and was an established fact and pointed out that the relations between French Indo-China and China, geographically and commercially, were very different from relations with Burmah and other bordering states. He added that the number of Chinese residents in the territory of French Indo-China amounted to 4,000,000. However many changes might be made in this clause, he said that it would certainly be impossible to assent to it. The Chinese delegate gave an account of the history of this rate reduction and claimed that the loss occasioned yearly by this system amounted to \$2,000,000 and that, besides, it was contrary to the principle of equal commercial opportunity. Underwood stated emphatically that the policy of the United States was to respect the principle of equal commercial opportunity and that if the countries concerned in this matter did not come to a unanimous agreement, it would become invalid and that lack of unity on this point would affect the whole question of tariffs. He requested that the French delegate reconsider the matter, but the French delegate persisted in his claim. Underwood then said that nothing more could be done if the French were absolutely opposed and that as this was a sub-committee, all he could do would be to report the opinions of all the delegates to the committee of conference. He requested the views of all the delegates.

Borden said ~~that~~ with reference to the above that Great Britain, although hardships were entailed, gave her consent to the original text. All the other members of course assented. Odagiri, in the spirit of your conference No. 241, expressed agreement to this proposal and made a detailed statement to the effect that he hoped for the reconsideration of the French with reference to the question of transit tariffs in French Indo-China.

8. Clauses 8 and 9 were passed without objection.

The rest was reported in the previous cablegram.

The battle continued in the fifth session of the subcommittee on January 3. It was in this meeting that the resolution on the Chinese tuchuns was adopted.

Washington-Tokyo, Conference No. 335. January 4, 1922.

Referring to our conference No. 306, the fifth session of the subcommittee on tariffs was held on the afternoon of January 3. The French delegate, Sarraut, and the Belgian delegate, Cartier, attended. The others present were the same as in the preceding session.

The chairman submitted for discussion the draft of the report to be presented to the committee of conference. The French delegate explained in detail with reference to ^{the} ~~be~~ question of land tariff rates the unique character of the relations between French Indo-China and China. He proposed an amendment to the effect that the matter should be left for the consideration of a special conference between the countries which had treaty relations regarding land customs. The American delegate said that the essence of the American claim was that there should be equal opportunity for commerce, that such a proposal would have a nullifying effect upon that principle and that it was necessary to abolish the reductions in land customs rates. The British delegate thereupon proposed the amendment that since it was desired to ~~bring~~ ^{bring} about absolute th uniformity in the tariffs collected upon goods entering China both by sea and land, a conference should be held as soon as possible between China and the countries having tariff treaties with China, and that, until such time as a decision should be reached by this conference, the tariff rates levied for land and sea alike should be the same as the general surtax to be levied in pursuance of the agreement reached in the deliberations regarding Chinese customs. The American delegate, however,

said that this would mean accepting the application of tariff rates varying according to the land or sea boundaries. He declared his opposition and said that there was no way to avoid referring this matter to the committee of conference. At this point the British delegate invited the French delegate into another room and they had a private discussion. They were finally unsuccessful in reaching an adjustment, however, and it was decided to continue the discussions in a meeting of the sub-committee on the afternoon of the next day (the fourth).

Continuing, the British delegate said that among the matters decided upon in the previous meeting, there were some ⁶provisions concerning which it was not necessary to wait for ratification, for example, the fixing of an effective five per cent tariff and that it was necessary to make this point clear in the report to the committee of conference. He proposed to make an amendment in that sense in the Chairman's report to be referred to the Committee of Conference. This was contrary to the statements made by the French and British delegates, as reported in detail in the first part of part 2, of our conference No. 306, i.e., in the last half of heading "2". The French delegate did not venture to voice opposition, however, and as the point was one evident from the nature of the case, all the delegates assented.

Then the American delegate made the preliminary statement that he would withdraw his motion if the Chinese delegate objected and read aloud a draft of a resolution as follows: "The extensive military forces required by the Manchus in the various districts of China are extremely detrimental to the financial and economic stability of China. They not only are the greatest menace to the political unification and integrity of China, but they lead to the practice of squandering the public revenues which should be devoted to works of public benefit. In view of these facts, unless the root of the evil is reached, it will be absolutely impossible to bring about the reconstruction of China. It is proposed that this sub-committee resolve to recommend^d to the conference that China take

energetic measures at once for the dispersal of these troops." He added that he felt sure that this involved no interference in Chinese internal affairs, and requested an expression of opinion on the part of the delegates. The Chinese delegate said that it was the earnest desire of the Chinese government and people that these troops should be disbanded. He did not oppose the proposal, but he said that he wished it stated that the Chinese delegate did not participate in the resolution. The British delegate, after amplifying on the resolution, signified his approval. The other delegates had no objections and the resolution was passed.

The land transit tax was settled by an amendment permitting adjustments in cases where customs privileges had been granted in return for some local economic advantage, and duly adopted. The French delegate, Kammerer, gave Odagiri a note of protest, though at the same time he expressed the unofficial opinion that Japan would get what she wanted in a year.

Washington-Tokyo, Conference No. 344. January ⁴ 1922.

The sixth session of the sub-committee on Chinese customs met on the morning of January 4.

Cartier of Belgium and Angelino of Holland were present, and the others were the same as at the previous meeting. The chairman, after saying that the question of the fixing of the land frontier customs which had not been concluded at the previous meeting was the subject, read aloud the amendment drawn up as a result of the conference between the English and French members, as in our accompanying cablegram No. 345.

After the chairman explained fully the objections that the American government had to accepting this amendment, he agreed to the draft. The

Chinese member asked questions in reference to one or two phrases. The Japanese member said that the opinion of the Japanese government must be obvious from the statement made on Dec. 28. With no other discussion, the amendment was adopted.

The Chairman then said that, referring to the Borden proposals, paragraph 7, as a result of the above amendment made by the sub-committee, will be paragraph 6. Because of the publication of the statement by the Chinese, as already reported, paragraph 5 of the Borden proposals was stricken out from among the paragraphs decided upon, and, accordingly, this matter of the frontier customs becomes paragraph 6 and the rest follow in order. After thanking all of the delegates in the sub-committee for their labors, the meeting was adjourned.

After the adjournment, the French delegate, Sarraut, told Odagiri that he had avoided a public statement in the sub-committee in reference to the matter of transit duties in Indo-China, to which Odagiri's statement had referred, but he handed him a memorandum which he said gave the French views. The substance of the memorandum was that this matter did not concern all of the powers, that it had not been included in the agenda and, also, that it is to be recognized by Japan that the transit tax matter is covered in the provisions of the tenth and fourteenth articles of the resolutions of the Barcelona Communications conference.

Kammerer also told Odagiri, unofficially, that, while it was not desirable to press this matter officially, that he, personally, thought that in about a year it may be adjusted in accordance with the desires of Japan. He also told Odagiri he had warned the Chinese delegate Koo that the effect of the publishing in China of the despatches of the so-called representatives in Washington of Chinese societies in favor of a *Japanese goods in connection with the customs question, if the boycott* boycott becomes an actual reality, will have an influence, evil beyond expectations, over the whole country.

The Far Eastern Committee January 5 adopted the report of the tariff committee which included the luxury surtax and a provision for revision every seven years.

Tokyo feared, however, that its desire for the abolition of the reduction of rates uniformly on all land frontiers would lose out in the special conference. Washington delegates reassured them and pointed out that if British and French continue to grant and enjoy special privileges, the Japanese can demand equal treatment.

Tokyo-Washington, Conference No. 293. January 10, 1922.

~~Washington-Tokyo, Conference No. 293. January 11, 1922~~

Referring to your cablegram No. 345 (Note. Text of provision concerning uniformity of Chinese customs rates on all frontiers), in view of the circumstances of the establishment of this provision through the negotiations of the British and French delegates, it may be interpreted as if on the Franco-Chinese and British-Chinese frontiers in cases where French Indo-China or British Burma had given definite special privileges in regard to customs or transit taxes on imports from China, and China had given a reduction of ^{cus} customs rates (the provisions of the [Ed. Note. Possibly, French treaty] of 1894, the [Ed. Note. Possibly, Sino-British] treaty of 1897 and the Sino-French Tientain treaties of 1884, '85, and '86), certain adjustments should be made, but none should be made on the Manchurian frontier.


If this is actually the case, we fear that through these adjustments our policy No. 1 in our conference cablegram No. 241, the purport of which is that the abolition of the reduction of rates may be carried through uniformly and simultaneously on all land frontiers, will be destroyed in the special conference which is to be held. We therefore wish to verify this interpretation for our future information. Please cable us.

Referring to your conference No. 293.

At the second session of the committee on the tariff question our delegates made the statements contained in accompanying cablegram No. 400 and these were entered into the minutes. Likewise, when this question was decided on at the fifth session of the committee, we again verified our claims. Consequently it is made clear that the abolition of reduction of tariff rate must be carried out simultaneously and uniformly in all quarters.

However, it is hard to say whether the adjustments relating to abolition of reduction of tariff rates, in relation to Great Britain and France, will annul the special privileges granted heretofore in return for counter favors, or whether these special privileges will remain ~~as whether these special privileges will remain~~ as they stand and, in return for a reduced rate, recognition of local favors will still be allowed.

Nevertheless, where the reduced rate is something which heretofore has been put in practice without granting any privileges whatever to the Chinese, there will be no possibility of making an adjustment recognizing local favors if made on condition solely of abolition of the reduced rate. At the same we think it stands to reason that, if in future the British and French, to a marked degree more than ourselves, proceed to grant special privileges, then, with respect to matters outside the tariff, claim can be made for the enjoyment of local favors on a par with Great Britain and France.

The soubrette was again temperamental and she was ably assisted by a dramatis personae hitherto cast in hero parts.--J. Bull. 

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Part IV.

The Far East Conference.

Chapter 13.

Chop Suey.

In Chapter 11 we saw the platforms of both Japan and China presented, that is, what they desired and hoped to obtain from the conference ^{and} we saw the conference select a proposal here and a principle there, build resolutions about them and incorporate them into a treaty to glorify China and the Open Door. The next chapter showed us China's futile struggle for complete and immediate tariff autonomy and the resulting compromises she was forced to accept.

When all that was accomplished, there was still a number of wishes unsatisfied or unaccounted for. Specifically Japan had expressed the hope that the English would leave Wei-haiwei when they left Shantung, that China would accept the Consortium, and that financial, economic and political conditions in China would be stabilized. China had promised not to alienate her territory, had wished to be notified ^{of} or included in all treaties concerning her, had wanted listed and reviewed all contracts relating to her, had desired that all ^{"not"}

impositions on her administrative, jurisdictional and political freedom be erased, had asked that reasonable and certain limits be set to present vague commitments, and had demanded publicity for future contracts. Some of these things we will see settled half-heartedly, others futilely or heatedly discussed and dropped to maintain harmony.

The first of these difficult problems to be introduced was that of extra-territoriality or the practice of extending the jurisdiction of foreign countries into the territory of China, so that British civil and criminal suits would be tried and settlement enforced by British consuls, and American, by American consuls and so on. This right of foreign jurisdiction was granted in 1844 to the United States in a general tariff treaty because of the wide divergencies in oriental and occidental law codes. The ^{is} privilege, under the most-favored-nation clauses which foreign countries had inserted in their general treaties with China whereby any additional privilege or immunity granted to the subjects of one foreign country must be given to those of the nations having that clause in their treaty, was shortly afterwards extended to other countries as well. Britain had received it the year before.

When granted, there were only five ports open in China for foreign trade, but by the end of the century the number had so grown that there was an increasingly large number of persons within her borders over whom she had no

jurisdiction. The abuses of the system had sprouted with the years, so that shortly after the birth of the twentieth century, Great Britain, the United States, Japan, and Sweden had agreed to relinquish this privilege, provided certain reforms were accomplished.

A learned committee aided by foremost foreign jurists had set to work at once to codify and modernize the oriental laws to conform with the occidental ideas of justice and right. Much had been accomplished and China felt that this was the moment to take the first definite steps to restore complete jurisdictional powers to her. At the close of Dr. Wang-chung-hui, ^{1st, 2nd,} Chief justice of China, ~~all~~ all the nations agreed in principle with the gradual abolition of extraterritorial rights in China and appointed a committee to draft a resolution appointing an international commission of jurists to visit China and report on the condition of China's courts.

The resolution was presented and adopted November 29. Unofficial China was disappointed that immediate action was not taken. December 10 the Far Eastern conference as a whole adopted the resolution as follows:

Resolution on Extraterritoriality

double space

The representatives of the powers hereinafter named, participating in the discussion of the Pacific and Far Eastern questions in the Conference on the Limitation of Armament, to wit, the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands, and Portugal --

Having taken note of the fact that in the treaty between Great Britain and China dated September 5, 1902, in the treaty between the United States of America and China dated October 8, 1903, and in the treaty between Japan and China dated October 8, 1903, these several powers have agreed to give every assistance towards the attainment by the Chinese government of its expressed desire to reform its judicial system and to bring it into accord with that of western nations, and have declared that they are also "prepared to relinquish extraterritorial rights when satisfied that the state of the Chinese laws, the arrangements for their administration, and other considerations warrant" them in so doing;

Being sympathetically disposed towards furthering in this regard the aspiration to which the Chinese delegation gave an expression on November 16, 1921, to the effect that "immediately or as soon as circumstances will permit, existing limitations upon China's political, jurisdictional, and administrative freedom of action are to be removed";

Considering that any determination in regard to such action as might be appropriate to this end must depend upon the ascertainment and appreciation of complicated states of fact in regard to the laws and the judicial system and the methods of judicial administration of

China, which this conference is not in a position to determine;

Have resolved

That the governments of the powers above named shall establish a commission (to which each of such governments shall appoint one number) to inquire into the present practice of extraterritorial jurisdiction in China, and into the laws and the judicial system and the methods of judicial administration of China, with a view to reporting to the governments of the several powers above named their findings of fact in regard to these matters, and their recommendations as to such means as they may find suitable to improve the existing conditions of the administration of justice in China, and to assist and further the efforts of the Chinese government to effect such legislation and judicial reforms as would warrant the several powers in relinquishing, either progressively or otherwise, their respective rights of extraterritoriality,

That the commission herein contemplated shall be constituted within three months after the adjournment of the conference in accordance with detailed arrangements to be hereafter agreed upon by the governments of the powers above named, and shall be instructed to submit its report and recommendations within one year after the first meeting of the

double space

That each of the powers above named shall be deemed free to accept or reject all or any portion of the recommendations of the commission herein contemplated, but that in no case shall any of the said powers make its acceptance of all or any portion of such recommendations either directly or indirectly dependent on the granting by China of any special concession, favor, benefit, or immunity, whether political or economic;

That the non-signatory powers, having by treaty extra-territorial rights in China, may accede to the resolution affecting extraterritoriality and the administration of justice in China, by depositing within three months after the adjournment of the conference a written notice of accession with the government of the United States for communication by it to each of the signatory powers;

That China, having taken note of the resolution affecting the establishment of a commission to investigate and report upon extraterritoriality and the administration of justice in China, expresses its satisfaction with the sympathetic disposition of the powers hereinbefore named in regard to the aspiration of the Chinese government to secure the abolition of extraterritoriality in China, and declares its intention to appoint a representative who shall have the right to sit as a member of the said

Ample space!

commission, it being understood that China shall be deemed free to accept or to reject any or all of the recommendations of the commission. Furthermore, China is prepared to cooperate in the work of this commission and to afford to it every possible facility for the successful accomplishment of its tasks. -- ^{The} New York Times, November 30, 1921.

When Dr. Wang had finished his presentation of the case against extra-territoriality, Dr. Sao-ke Alfred Sze, Chinese ambassador to America, attacked the maintenance of foreign post-offices in China. An outgrowth of the diplomatic pouch, post-offices were maintained, by the United States, Great Britain, Japan and France. Under the direction of the French and an international commission the native post-offices had improved sufficiently so that adequate service could be provided for the nationals of all foreign countries resident in China. Besides depriving China of an important income from this source, the foreign post-offices were excrescences existing without benefit of treaty right or concession, and were a definite infringement of the integrity of China.

The Japanese were forewarned that this was coming, for the Chinese had brought the subject before the last International Postal congress. Moreover, the acting director general of the Chinese Post-Office administration had told the legation at Peking to expect it. And when the Peking legation suggested that the Chinese provide for the future unemployed Japanese postmen and clerks by using some of them in the Chinese system, the director general implied that the idea was not at

all "hot".

Peking-Tokyo, No. 706. November 1, 1921.

Tokyo-Washington, No. 580. November 3, 1921.

Rousse, acting director general of the Chinese post office administration, informed an official of this legation, who called upon him, that the Chinese government was to present to the Washington conference a proposal for the withdrawal of the foreign postoffices. The Japanese official said that, as Japan already had a large number of post offices in China and as many Japanese were employed in them, the abolition of these postoffices would be a matter of great importance and concern to Japan. Such a proposal could not meet with the approval of the Japanese government. Rousse said that the proposal to make up for the abolition of the foreign postoffices by the appointment of most of these Japanese in Chinese post offices was absurd and that as Japanese in the past who had engaged in various international projects in China had met with no marked success, it would be necessary to exercise great care in the choice of the personnel.

A previous effort was made to bring up this question by the Chinese delegates in the International Postal Congress. At that time it was considered to have political significance and therefore no decision was reached. The proposal for withdrawal which China desires to bring up in the Washington conference is of the same nature as the previous one.

France agreed to withdraw her post offices, provided China would not make any change in the co-director general, H. Picard Destelan, and his very capable assistant, J. M. C. Rousse, chief secretary and acting director general of

the Chinese Post Office administration, but would improve her system sufficiently to make the present dual systems unnecessary, and provided the other countries withdrew theirs as well. The next day the Far Eastern conference committee assented to withdrawal as soon as conditions warranted and appointed a sub-committee to frame a resolution ^{to} that effect.

Their report was for withdrawal by January 1, 1923 under certain conditions: China must maintain efficient service and make no change in the co-director general. In the interim the powers promised to search for dutiable and contraband goods in the packages that passed through their hands. Japan had to wait to ask the home government before signing, a fact that caused the Chinese to believe that Japan would refuse to give up her 124 post-offices. Japan accepted December 12, however, and the resolution passed the Far Eastern committee as follows:

Resolution on Post Offices.

A. Recognizing the justice of the desire expressed by the Chinese government to secure the abolition of foreign postal agencies in China, save or except in leased territories or as other specifically provided by treaty, it is resolved:

1. The four powers having such postal agencies agree to their abandonment subject to the following conditions:

(a) That an efficient Chinese postal service is maintained;

(b) That an assurance is given by the Chinese government that they
contemplate no change in the present postal administration so
far as the status of the foreign co-director general is concerned.

2. To enable China and the powers concerned to make the necessary dispositions,
this arrangement shall come into force and effect not later than January 1,
1923.

(double space)
B. Pending the complete withdrawal of foreign postal agencies, the four powers
concerned severally undertake to afford full facilities to the Chinese customs
authorities to examine in those agencies all postal matter (excepting ordinary
letters whether registered or not, which upon external examination appear plain-
ly to contain only written matter) passing through them, with a view to ascertaining
whether they contain articles which are dutiable or contraband or which otherwise
contravene the customs regulations or laws of China. -- The New York Times, December 13, 1921.

The prime requisite to the improvement of the Chinese postal system was the
maintenance of internal stability. If the other foreign post^offices "just grew",
Japan had hers in Peking under a ^man agreement with China. Tokyo instructed her delegates
to avoid mentioning this fact in discussion at Washington. What incensed her greatly
was leaving the Chinese post^offices under French control by ^{the} withdrawal of other
post^offices. She sought an international agreement to avoid this, but nothing came
of it. Moreover, she wanted to be sure that her diplomatic correspondence was exempt

from postal inspection. Could this have anything to do, by chance, with rumors that Japan smuggled opium into China through her post-offices?

Tokyo-Washington, Conference No. 96. December 2, 1921.

Referring to your conference cablegram No. 87 (Note. Proceedings of sub-committee on foreign postoffices in China), in the resolution which is contained in your cablegram there are two or three points which need consideration and amendment.

Judging by Article 1-a, we consider that the purport of these resolutions is substantially the same as the recommendations with regard to this question contained in the written instructions to the delegates. The Japanese government, therefore, will assent to the resolutions, but you will take proper action with respect to the following points:

1. In the first part of Article 1-a of the resolutions, the phrase is inserted in parentheses "except in leased territory or as otherwise specifically provided by treaties". As you are aware, in the year 1910 an agreement was arranged between Japan and China with reference to the Japanese post offices in Peking, etc. This agreement, however, not only was not officially announced, but it was understood that its conclusion went no further than to insure the recognition of Japanese post offices as public and official offices. Such being the case, for us to bring up this agreement in the Washington conference might not be an expedient policy. You will take due note of this.

2. As to the provisions of Article 1-b of the resolutions, the improvement of the Chinese postal service should be ²affected as far as possible (?), but, as you are aware, the Chinese postoffice administration at the present time is really under the control of the French and British, especially the French. If upon the withdrawal of the foreign postoffices, the natural result ensues that the influence of the French is increased,

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it must be admitted that China not only will not obtain the restoration of her sovereign right of administrative autonomy, but that the result will be the direct opposite of the original aim of regaining her sovereign rights.

According to your conference cablegram No. 73 (Note. Minutes of fifth session of conference committee on Far Eastern questions), the present customs administration is not to undergo any change and the customs will therefore remain under British inspectors. In the postoffices also, the result of course will be that in spite of the uniform withdrawal of postoffices by the various foreign countries, the post office administration will, the same as before, be under the exclusive jurisdiction of the French. This not only is no way to obtain the restoration of administrative autonomy, but is very far from being an impartial measure. Japan cannot afford to ignore this situation.

In view of the declaration made by the French plenipotentiary contained in your conference cablegram No. 86 (Note. Minutes of seventh session of committee on Far Eastern questions), and the resolution contained in the first part of the second section of your conference cablegram No. 102 (Note. Minutes of eighth session of committee), we feel that besides having the Chinese postal administration continue the present system of guidance by the interested countries, the various countries taking part in the agreement and the countries which have special individual interests at stake, especially Japan, should cooperate in name and in fact and that, as a suitable method definitely to attain that cooperation, an agreement should be entered into between these various countries. Then the Japanese would in fact approve of this resolution and would of course sincerely carry it out. The fact that the number of Japanese compared with subjects of other countries is so very much greater and that the number of communications as compared with those of other foreign countries is correspondingly large, is another reason in our opinion why

the claim that such an agreement be entered into is a fair demand. As special emphasis is put upon this point in Japan, it is necessary for you to make special endeavors for its acceptance.

3. Article 2 of the resolutions is understood to mean that if the conditions of Article 1 are satisfied, the withdrawal of the foreign post-offices shall be effected by January 1, 1923. The Japanese government will accept the resolutions upon the basis of this understanding, but the question of whether or not the Chinese postal administration will as expected really meet the requirements of the provisions of Article 1-a of the resolutions is the real difficulty which is involved in the question. In the reform of the postal administration, it is not sufficient to be concerned alone with the organization of the post offices, but the most important thing is to perfect the connection between the various postoffices. As a result of the fact that ⁿvarious sections of China are very much overrun by rebels and brigands, disordered conditions generally prevail and on this account the security of foreign communications is jeopardized to no slight degree. Accordingly, you will make very clear the important fact that a prerequisite to bringing about an improvement in the Chinese postal system is the maintenance of internal stability.

4. With reference to the inspection of postal matter mentioned in Article 3, there is a distinction between examination from the point of view of the postal administration and inspection by customs officials to prevent evasion of customs duties. The cooperation of Chinese postoffices and foreign postoffices there is no obstacle in the way of furnishing inspection facilities to the customs officials. Accordingly, it is necessary to make clear that the participation of the customs officials in the inspection of postal matter means that such inspection is limited to the original duties of customs officials. With reference to the phrase inserted, "except ordinary letters", there is no objection to the general outline of the resolution contained in the first part of the second section of your

conference cablegram No. 102, but it will be necessary for sufficient guarantees to be furnished that the confidential character of letters will be respected.

According to your conference cablegram No. 102 (Note. Minutes of eighth session of committee on Far Eastern questions), Plenipotentiary Hanihara said that diplomatic correspondence and official documents should be ~~excepted~~^{separated} from the meaning of "ordinary letters". Of course there will be no inspection of letters pertaining to official business. In case this provision is to be applied tointerpretation.

Consequently to counterbalance the influence of the French in the Chinese postal system, the Japanese delegates at Washington asked the Chinese to employ as many Japanese as possible to promote postal efficiency in spite of Rouss's derogatory opinion.

Washington-Tokyo, Conference No. 152. December 6, 1921.

Referring to your cablegram No. 96:

1. We too gave consideration to the matter of citing the Sino-Japanese agreement of 1910, but it was no more than a recognition of the postoffices as public and official, and we considered that it was insufficient to prove that our post office establishment had a precise treaty basis. We therefore avoided pointing it out.

Furthermore, the clause in the resolution which excepts cases especially controlled by treaties, we inserted as a supplement, as you were informed in cablegram No. 87, on motion of Hanihara in order to secure the inclusion of the South Manchuria railway zone. Arguing from the wording alone this might be interpreted to mean that all our postoffices in treaty ports are regulated by these treaties, but this was not claimed by us. The question from the first had been about the abolition of postoffices in settlements and, if we do not abolish ours on treaty grounds, there will practically be no necessity of Great Britain, France, etc., abolishing postoffices, and the resolution for the with-

drawal of foreign postoffices would finally end in becoming meaningless.

It is clear that the representatives of the powers did not make a resolution in that sense. We suggest the foregoing by way of making certain.

2. It is of course desirable to secure an understanding that foreign assistance to the postal system should expect the cooperation of the interested powers, but as a matter of fact as soon as we received your instructions we announced our acceptance of the whole resolution. We declared that in view of facts of the important number of Japanese residents and the extremely complicated conditions of communications and even from the point of view of ensuring the efficiency of the postal system, we expected that future chiefs of the Chinese postoffice will wish the Chinese government to hire as many as possible of experienced Japanese. We also considered that in order to promote postal efficiency it will be necessary for the foreign nations to give effective support to this expectation. We were sure that other nations understood this equally.

Our idea was that not only would there be great practical difficulty in going a step further and establishing the agreement suggested in your cablegram, but our delegation in the spirit of your earlier instructions had already given their entire assent with the exception of the clause about the date of withdrawal, and under the circumstances to propose a new condition would only place us in a disadvantageous and difficult position with no prospect of attaining any useful results.

After duly considering your cablegram, we made the statement of our hopes which is given above, and, if possible, we hope that we need do no more than have it entered in the records of the conference. We request your approval of this.

3. In case paragraph 2 of resolution "A" is considered to be conditional on paragraph 1, it may be considered that there is a natural question whether it can be carried out, and it is a matter of course that a trustworthy postal system is not merely the postoffice establishments, etc.,

but that it is necessary to perfect the connections between all the offices. This can be taken to be included in paragraph 1-a, and it may be thought that there is no necessity of a further explanation.

There have already been several discussions of the unsettled condition of China, and because of them there has even been raised a question about establishing an investigating commission. We think that if we should thereafter point out and discuss too much the condition of China, the reaction might be unpleasant. We therefore wish at this time to confine ourselves to this short indication.

4. The insertion of "except ordinary letters" was principally to bring out the meaning that the privacy of letters must be respected (the term "ordinary" is used in the sense of excluding diplomatic and other official correspondence, but is taken indisputably to include registered mail). In regard to the manner of carrying out paragraph 2, we consider that it will be necessary later to agree on the details with the Chinese.

The reason for secrecy of the old postal agreement emerges! Tokyo wished to use it for bargaining in the future and wanted it secret to prevent forced cancellation!

Tokyo-Washington, Conference No. 189, December 16, 1921.

Referring to your conference cablegram No. 152, we understand the significance of the clause on leased lands and cases specially controlled by treaty, etc., in the preamble of section A of the proposed resolution in regard to this matter, to be that postoffices in leased lands and the railway zone are to be excepted, as in the explanation made by Plenipotentiary Hanihara in your conference cablegram No. 87 (Note. Proceedings of sub-committee on foreign postal agencies in China).

Therefore the Japanese government agrees to this resolution and in accordance with the announcement made by Plenipotentiary Hanihara we, of course, have the

intention of withdrawing our postoffices which are outside of the leased lands and the lands belonging to the railroad; and we have no such sinister design as to attempt at some future date to cite the Sino-Japanese postal agreement in question as the basis of provisions for exceptions to the above, and to make exception also in the withdrawal of Japanese postoffices in general open districts.

The only thing is that while we are not laying stress upon the Sino-Japanese postal agreement, yet all sorts of negotiations with China in regard to the carrying out of the withdrawal of the postoffices will naturally be necessary ultimately at some future date, based upon this resolution. We cannot but think that such a time may be a good occasion to utilize the postal agreement for bargaining of some sort, which is the only reason for our conference cablegram No. 96. Nevertheless we have been fearful that if this agreement were referred to in the Washington conference, it would immediately give rise to the question of cancelling it.

Among other things that China wanted removed from her territory was foreign troops.

According to Dr. Sze there were, outside of Shantung and Manchuria, 4, 593 men, 189 officers and 99 machine guns in China, and strangely enough more of these were American than any other nationality: the United States had 1, 464 men and 60 officers, Great Britain had 1,006 men and 38 officers, France had 1,214 men, and Japan, who had far more citizens in Asia than any other nation, because of propinquity, ranked third with 1,097 men and 61 officers. They made up for this, however, by maintaining a battalion of 529 men at Hankow, gendarmes and four battalions in Shantung along the railroad, and a whole division of men in Manchuria. While asking for the removal of all these illegally stationed troops, Dr. Sze requested the withdrawal of the legation guards

also, November 28.

The Far Eastern committee asked ^{for} time to think it over and for more facts. The next day Sze met them with more facts about Japan. That neighborly nation kept 2,000 men plus the gendarmerie in Shantung; 10,000 men on the Chinese Eastern railway in Siberia ^{and} a whole division in Manchuria plus 1,500 police. This was Japan's and China's first clash over local difficulties in the conference, and after ^{the} fruitless accusation and denial, vague promises, charges and counter-charges, the whole matter was referred to ~~the drafting committee, which presented the following resolution for adoption January 5, 1922:~~

the drafting committee, which presented the following resolution for adoption January 5, 1922:

Resolution on armed troops in China.

Whereas, the powers have from time to time stationed armed forces, including police and railway guards in China to protect the lives and property of foreigners lawfully in China;

And whereas, it appears that certain of these armed forces are maintained in China without the authority of any treaty or agreement;

And whereas, the powers have declared their intention to withdraw their ^{armed} forces ^{now} on duty in China without the authority of any treaty or agreement, whenever China shall assure the protection of the lives and property of foreigners in China;

And whereas, China has declared her intention and capacity to assure the protection

of the lives and property of foreigners in China;

Now to the end that there may be clear understanding of the conditions upon ^{to} which in each case the practical execution of those ^e intentions must depend;

It is resolved;

That the diplomatic representatives in Peking of the powers now in conference at Washington, to wit, the United States of America, Belgium, the British Empire, France, Italy, Japan, the Netherlands, and Portugal, will be instructed by their respective governments, whenever China shall so request, to associate themselves with three representatives of the Chinese government to conduct collectively a full and impartial inquiry into the issues raised by the foregoing declarations of intention made by the powers and by China and shall thereafter prepare a full and comprehensive report setting out without reservation their findings of fact and their opinions with regard to the matter hereby referred for inquiry, and shall furnish a copy of their report to each of the nine governments concerned which shall severally make public the report with such comment as each may deem appropriate. The representatives of any of the powers may make or join in minority reports stating their differences, if any, from the majority report.

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That each of the powers above named shall be deemed free to accept or reject all or any of the findings of fact or opinions expressed in the report, but that in no case shall any of the said powers make its acceptance of all or any of the

(double space)
findings of fact or opinions either directly or indirectly dependent on the granting
by China of any special concession, favor, benefit, or immunity, whether political
or economic. -- ^{The} New York Times, January 5, 1922 ©

Though China was far from getting all that she wanted at the conference, she
got more than Japan wanted to give her, or at least more than a certain clique of
the Japanese delegates desired. General Kunshige Tanaka, head of the army delegation
in his report to Chief of Staff, General Yusaku Ueyhara, did not mince his words
of condemnation for the railroading of the American-Britain coalition.

From, Tanaka, Washington, December 3, 1921.

To, Chief of Staff, Tokyo, Conference No. 17.

From: Tanaka, Washington December 6, 1921.

To: Chief of Staff, Tokyo Conference No. A 18.

... 3. With regard to Chinese questions, the questions of the postoffices
and of the abolition of extraterritoriality have substantially been settled.
The questions of the tariff and of the withdrawal of foreign troops are
in course of discussion. The tariff question, which is of great economic
interest to Japan, also seems to be turning to the disadvantage of Japan.,
etc. etc. Viewing all the developments it looks as if there might be an
underlying purpose of avoiding as far as possible any deep consideration
of questions which are of importance to Great Britain, the United States,
etc. ~~and~~ and of exposing, embracing and controlling the various institutions,
etc. which Japan has acquired in China without the sanction of treaties.

Root is said to have told Plenipotentiary Hanihara that the United States has no purpose of throwing Japan into a difficult position with regard to Chinese questions, but, even if the United States is not acting with malice, there is a feeling that with every question that arises Japan is put in the position of a defendant and, after making a suitable plea, agrees to the proposals of Great Britain, the United States, etc. With regard to the Kwantung lease, the South Manchuria Railway, etc., men's opinions are firm enough, but, with regard to other questions, there are not a few regrettable points in which they are passive or exculpatory. In the meantime the "Anglo-Saxon" grasping hegemony, which is the inevitable result of the great war, is being made effective point by point. It is ^{to} fairly obvious that Great Britain and the United States keeping step with each other are planning to interpose a check on the positive development of Japan in China. There are men who fear that, if this situation continues, the final result of the conference will be to produce disadvantage to the largest interests of Japan.

From Tanaka, Washington, December 6, 1921.

To Chief of Staff, Tokyo, Conference No. A 18.

1. I presume that you know from reports of the plenipotentiary delegates that the question of the withdrawal of foreign troops from China after a general discussion was referred to the drafting committee which will prepare a resolution. This committee has drafted a resolution that the committee of investigation in connection with the question of the abolition of extraterritoriality, which is to be formed after the adjournment of the Washington conference, shall at the same time investigate the condition of China with respect to the question of the withdrawal of foreign troops whose presence in China has no basis in treaties or agreements and shall determine the time and manner of their withdrawal.

I have pointed out to Plenipotentiary Hanihara that the question of

the Tsingtao troops will be disposed of together with the Shantung question, that the South Manchuria troops have a treaty basis, that the North Manchuria expeditionary force was despatched by agreement with the Chinese foreign minister, and that in short the application of this resolution will be limited to our Hangkow troops alone. But with regard to the latter, our delegates have already announced that it is intended ^tto withdraw them as soon as conditions in the Hangkow district permit. In other words this resolution must be said to imply distrust of our declaration. It appears that the dignity of Japan will be involved if it is approved.

If an investigation of facts is held, it might be made general without regard to the existence or non-existence of a treaty basis, and, if it were decided that there is no need of foreign garrisons, the Peking and Tientsin troops also might be withdrawn and only our Tsingtao troops receive the judgment of the committee of investigation. How great would be the ill-feeling of the public if our people hear this! I have recommended to the delegates that I think it is necessary for them to consider their position with respect to this in advance. The above-mentioned draft of a resolution will be submitted to the next committee meeting and some action will be taken on it.

The case against foreign encroachment on Chinese wireless and telegraph rights was opened also on November 28. There were twenty-one illegal wireless stations in China and three of these belonged to America: at Peking, Tientsin and Changchun.

Perhaps the protest would not have been raised if it had not been for the Japanese minister to Peking, Tokichichi Obata, who complained about them to the minister of foreign affairs, Yen-hui-ching or Dr. W.W. Yen, known as PVK in the accompanying

cable to Tokyo. FPV BGA is probably Tientsin and Chikoo may be Changchun. Note the hard uncompromising tone that the Japanese minister adopts toward the oriental government in contrast with ^{the} tone of open friendliness used toward the occidental governments in previous communications:

Peking-Tokyo, No. 571, August 20, 1921.

Tokyo-Washington No. 381. August 24, 1921.

As you are aware there have been American controlled facilities for wireless communication to FPV BGA. During my visit to Japan, these facilities were withdrawn for the purpose of constructing new and higher towers by which would be obtained [Ed. Note. Possibly, greater distance]. While speaking of other matters ^{to} PVK, I mentioned the above fact and said that the ostensible reason for providing new wireless facilities was the necessity of maintaining communication with Chikoo since the American company (?) did not have land telegraph lines, but that the fact that these facilities had been used for other foreign communications and [Ed. Note. Possibly, commercial messages.] was brought out at the time of the conference last year.

Furthermore, the permanent character (?) and height of the towers of the present installation was more than was required for communication with Chikoo. It was also easy to foresee that other foreign countries would follow this same policy in the matter of wireless facilities.

At the same time I asked whether the American equipment would be subject to Chinese government inspection. PVK told me that the American wireless facilities had been used last year at the time of the conference and that they had always been used indiscriminately with the Chinese facilities.

At any rate two protests have been presented to the American government and [Ed. Note. Possibly, a demand for Chinese, government]

control. Moreover, if each country has its own wireless facilities everywhere, they will not only encroach upon Chinese jurisdiction over communications, but would produce confusion and inconvenience. I said that I hoped that this question would be presented to the coming Pacific conference. According to what the foreign minister said, it is apparently his intention to bring up the wireless question at the conference.

Incidentally PVK spoke as though there might be some means of effecting a compromise with the United States on the wireless question and I replied that I did not consider it either necessary or expedient for the Japanese government to make any compromise in a matter based upon unfair treatment which ignored agreements made with Japan.

Before the conference opened, the main wireless problem in the minds of those other than China consisted in getting the four countries of Japan, England, France and the United States to agree to a cooperative enterprise for the radio development and control of China.

Paris-Tokyo No. 1606. November 7, 1921.

Paris-Washington, No. 39. November 10, 1921.

Engineer Inada, who is enroute to the Washington conference, had an interview with the general manager of the French wireless company, Girard. He asked about the conference of the wireless telegraph companies which I reported in my cablegram No. 1531.

He was told that after meeting at Paris, the four companies had again met at London and the meeting had continued until about the fifth of this month. The principal object of the agreement was for the four companies to pool their interests in South America in Pacific wireless traffic and to divide the business and to supply electrical communication for all the Governments of the world.

With regard to the question of wireless in the Far East and particularly in China, an attempt had been made on the floor of the conference to arrange Anglo-American cooperation. The British had the attitude of not wishing to cooperate with the Americans in view of the fact that they had forestalled the latter, but finally there was practically an agreement that it would be advantageous for the British, French and American companies to cooperate. Girard said that of course a question like this was not a matter to be decided by private companies, but must attend on diplomatic negotiations among the respective Powers, and the discussion had merely been from the point of view of the companies.

Girard thinks that, although France does not have the same interest in Chinese wireless as Great Britain and America, it is now constructing a great wireless station at Saigon and it is a world necessity to have an understanding with Japan that Great Britain, Japan, America and France shall cooperate to give wireless communication to China. It is hoped to arrange this at the Washington conference.

Incidentally Girard is to attend the Washington conference as a French expert on wireless questions and will sail on the "Paris" on November

China was asking through the lips of Dr. Sze that all foreign stations be sold to her and that all stations legally maintained in legations be limited to official messages and that they consult the Department of Communications, so that there be no conflict of wave lengths. This was referred to a sub-committee who thrashed it out in form of the usual resolution this time attributed to René Viviani which they presented to the Far Eastern committee December 7 and which the latter adopted.

From Tanaka, Washington, December 6, 1921.

To Chief of Staff, Tokyo, Conference No. A18.

The drafting committee's draft of a resolution concerning the withdrawal of foreign wireless stations provides in substance that, as soon as the Chinese government is prepared to administer in the public interest and as efficiently as at present the wireless stations held in Chinese territory without the consent of the Chinese governments by foreign governments or their nationals, such wireless stations shall be turned over to the Chinese government. It is supposed that our military wireless at ~~Hankow~~³ would come within this provision, but its disposition will be determined together with the withdrawal of our troops and I consider it necessary to make it clear that it is not included in the scope of this resolution. I have suggested this in the plenipotentiary delegates.

Virian's Resolution on Wireless

The representatives of the powers hereinafter named participating in the discussion of Pacific and Far Eastern questions in the Conference on the Limitation of Armament, to wit, the United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands and Portugal, have resolved:

1. That all radio stations in China whether maintained under the provisions of the international protocol of September 7, 1901, or in fact maintained in the grounds of any of the foreign legations in China, shall be limited in their use to sending and receiving government messages and shall not ~~re~~^cceive or send commercial or personal or unofficial messages, including press matter: Provided, however, that in case all other telegraphic communication is interrupted, then, upon official notification accompanied by proof of such interruption to the Chinese ministry of communications, such stations may afford temporary facilities for commercial, personal, or unofficial messages, including press matter, until the Chinese government has given notice of the ~~termination~~^{termination} of the interruption;

2. All radio stations operated within the territory of China by a foreign

government or the citizens or subjects thereof under treaties or concessions of the government of China shall limit the messages sent and received by the terms of the treaties or concessions under which the respective stations are maintained;

3. In case there be any radio station maintained in the territory of China ^{to} by a foreign government or citizens ~~of~~ subjects thereof without the authority of the Chinese government, such station and all the plant, apparatus, and material thereof shall be transferred to and taken over by the government of China, to be operated under the direction of the Chinese ministry of communications upon fair and full compensation to the owners for the value of the installation, as soon as the Chinese ministry of communications is prepared to operate the same effectively for the general public benefit;

(double space)
4. If any questions shall arise as to the radio stations in leased territories, in the South Manchurian Railway zone or in the French concession at Shanghai, they shall be regarded as matters for discussion between the Chinese government and the governments concerned.

5. The owners or managers of all radio stations maintained in the territory of China by foreign powers or citizens or subjects thereof shall confer with the Chinese ministry of communications for the purpose of seeking a common arrangement to avoid interference in the use of wave lengths by wireless stations in China, subject to such general arrangements as may be made by an international con-

ference convened for the revision of the rules established by the International

Radio Telegraph convention signed at London, July 5, 1921. *Current History, March 1922.*

While the committee in Washington were worrying about limiting wireless stations, Tokyo was concerned over providing for future low-powered stations for military purposes.

Washington-Tokyo, Conference No. 159, December 6, 1921.

You are acquainted with the proceedings of the committee for drafting the resolution regarding the question of wireless telegraphy in China, as given in my conference cablegram No. 157.

According to your instructions in regard to this question, in the matter of future installations in China of wireless stations for military use on the part of foreign countries, we should work for the recognition by all countries of the principle of limiting them to the smallest extent that will enable direct communication with the nearest office in the Far Eastern territory of the home country.

But as a matter of fact, when there is discussion of whether there shall be a general dismantling of wireless communication in China, to attempt new proposals which anticipate future construction, would require the choice of a favorable opportunity for the making of the proposition. Unfortunately, however, it is not convenient to go ahead and propose fresh points for discussion. It would not only serve to complicate the argument more and more if they were brought up, but as our above-mentioned policy is substantially technical detail, and at the same time has more connection with the question of wave length in the international wireless communication conference to be held later on (paragraph 5 of the resolution), we think it may be both expedient and effective to present the matter then. We are therefore refraining from doing so at this time. In case later on there

is discussion of the resolution in the conference committee, we shall ~~take~~ take steps with this idea in mind. We trust the procedure meets with your approval.

It was just a little previous to this that the Secretary of the Chinese delegation, Dr. Philip Tyau, and several of the superior advisers, among them Chow Tzu-chi and Yuho M. T. Liang, resigned in protest over the way things were going. What they felt privately about these matters, their fears for their political scalps on their return to Peking, Chow Tzu-chi told Toru Takao, one of the Japanese delegation, in passing.

Washington-Tokyo Conference No. 178. December 9, 1921.

The following is the substance of what was told Takao on December 9, by Shuu Ki Sai, Chinese plenipotentiary adviser, in regard to the progress of the Far Eastern question at the Washington conference.

1. The recent course of the conference was most unsatisfactory, and from the Chinese standpoint was an utter failure. That is to say, they were grateful that all the countries had recognized such a question as that of the postoffices; but the right in future to supervise postoffice administration in the reservation of the French plenipotentiary was most unreasonable as through it future privileges in the Chinese postal administration were practically all put into the hands of foreigners. The wish of the Chinese government was to have Chinese employed more and more in every department. It was regrettable that at this conference the principle of foreigners had been confirmed.

As for foreign wireless telegraphy, there was no greater forfeiture of the right of autonomy than in this. Its military use in Peking in the foreign concessions of course, which heretofore had received protest upon protest,

had been countenanced. Nevertheless it would be inconvenient if, in the case of installations contrary to treaty, such could be used exceptionally for commercial use.

Even in the abolition of extraterritoriality, however impartial it seemed on the surface, its real principle had already been confirmed by treaty, and, despite ~~the~~ the right held by the Chinese to demand some day that this be carried out, they did not on the other hand want any such thing to come about as an opposite result through the investigation extending over a year.

Besides, even when looked at from the matter of Sino-Japanese relations, they did not like the tendency, through pressure from Great Britain and America, to turn to China's disadvantage pending questions which heretofore had been protested, even to the extent of questions upon which reservations had been made.

In connection with all this the local student bodies, needless to say, were gradually strengthening the spirit of opposition in the home country, and he and the other delegates could not very well take further responsibility. They could not make up their minds to taking bitter medicine (?) upon their return home, as in the case of Soo Jo Rin, Shoo Soo Shoo, and others; so, however that might be, they followed the course of presenting their resignation. Even this would have no effect in the end.

Tokyo gave up her eleven wireless stations only with the greatest^t/reluctance.

Though she had agreed to evacuate Tsingtao and return leased territory, she wanted to keep the wireless there. The Washington delegates advised her to consent to restore the wireless there, however, and at Tsinanfu for adequate compensation to prevent a block in the Shantung negotiations. Tokyo grudgingly consented in order to claim the

Washington-Tokyo, Conference No. 221, December 14, 1921,

~~Tokyo-Washington, Conference No. 227, December 28, 1921~~

Urgent.

According to your cablegram No. 58, the wireless at Tsingtao is to be kept by Japan.

Leaving aside for the moment the question of whether there is any precise reason for still claiming to keep the wireless after we have agreed to restore the leased territory, to give up the proposal for a settlement district, and to evacuate all our troops, the Washington conference has discussed the question of foreign wireless plants in China and has finally adopted a resolution. We therefore think that there should naturally be special consideration given also the question of the disposition of the wireless at Tsingtao.

Even if in future Japan wished to keep this wireless installation for general public use, and keeps in repair this means of communication in an important port, and the powers sympathize with this, still, in view of the trend of the day and especially in view of the history of the wireless question in the present conference, under no circumstances will the Chinese give their consent. Again, if we wish to keep it for military use, it will be hard to claim this also after we have withdrawn our troops. It is also hard to find a basis for claiming this wireless plant as a vested right.

Accordingly, if we should claim this insistently, we should block the whole solution of the Shantung question. We therefore think that the only thing to do is to transfer it to the Chinese, similarly with the wireless at ~~Sinan~~ ^{Tainanfu}, as a newly-built administrative public property, in return for compensation, and to try to have China maintain and operate it for general public business. Unless we immediately receive instructions from you to

the contrary, we shall take this course. Your approval is requested.

Tokyo-Washington, Conference No. 227. December 22, 1921.

Urgent.

Referring to your cablegram No. 221, there are three wireless installations at Tsingtao, and we have decided to remove two of them. As you say, there will be no objection to transferring one station, i.e., the 12Kw. plant, to China on the same basis of suitable terms as the wireless at Tsinanfu, and to leave these ⁿterms to the occasion of the detailed agreement, but for the present it is thought that it will be necessary to demand the terms of the engagement of Japanese operators and the use of the Japanese language in Kana syllables.

In addition, the question of the (Sasebo-Tsingtao) cable is of great importance to us and we presume that the Chinese also appear to entertain opposition in connection with it. It is believed that it will be proper to display an attitude of concession in the wireless question and to ask for reciprocity in the cable question. You will take action in this sense.

Tokyo was worried over the prospect of competition of other countries with the Mitsui radio company and instructed the delegates to work for the abolition of the monopolies of the Great Northern and the Great Eastern Telegraph companies at least as far as wireless was concerned, even though there was cooperative management.

Washington-Tokyo, Conference No. 266, December 21, 1921.

~~Washington-Tokyo, Conference No. 267, December 22, 1921.~~

~~Tokyo-Washington, Conference No. 268, January 8, 1922.~~

Referring to our cablegram No. 209 (note. English text. Formula concerning wireless in China.).

The spirit of clause 2 of the resolution is that the ^{various} companies of all the countries concerned shall be made to contribute radio stations of the latest type to China. But this can actually be interpreted so that, in addition to the radio station of the Mitsui contract, large radio stations of the same class can be installed at once. If this is really so, we fear the result produced may be the destruction of the exclusive rights owned by the Mitsui radio enterprise, in other words, the destruction of the guarantee in the contract for installation of a radio station.

This therefore requires much consideration on our part. ^{but} ~~if~~ ^{if} at this time we point to and claim the exclusive rights of the Mitsui radio, we might complicate the question and produce results disadvantageous to ourselves. ^{while} ~~when~~ ^{if} when this matter ultimately comes under consideration, the essential purpose of clause 2 is to enable China to erect wireless stations equipped with the latest installations, ^{while} this is natural ^{and} ~~there~~ there is no necessity of making it a special provision.

Again, if the essential feature is that companies of the countries concerned shall be made to provide China with radio stations as soon as possible, this is not only an entirely useless provision since already in the preamble and clause 1 of the resolution the principle of cooperation on the part of the interested countries in regard to erection, operation, etc. of stations is made clear, but it is open to objection as inconsistent with the principle determined in clause 1, which would prevent the waste of funds, etc.

Rather than that, we wish to try to defend indirectly the exclusive rights of the Mitsui radio by proposing that in case in future the charge for foreign messages is increased, it will not then be too late to consider and therefore it would be best to drop clause 2 altogether.

Please give your approval to our opinion.

It is difficult to foresee what course this resolution will take, but at least the principle will be established that in future there shall be a spirit of mutual helpfulness and cooperation between countries in regard to radio enterprises, and useless competition shall be avoided.

Even if we are so fortunate as to see the deletion of clause 2 from the resolution as we propose, the administration of the radio station of the Mitsui contract will be through cooperation in the future of all countries with this company. Therefore for us to hope to the end to operate this independently is something we can by no means attain, we think.

We state the above by way of caution.

Washington-Tokyo, Conference No. 267, December 21, 1921.

Referring to our conference cablegram No. 266.

On December 15 a member of the French plenipotentiary staff told a member of our plenipotentiary staff the following as the real purpose of the French in regard to proposed radio cooperation in China:

The true purpose of the French proposal was for Japan, Great Britain, America, and France, who had interests in China, and particularly in Chinese radio, to cooperate and organize popular enterprises on the basis of equal opportunity for each country, and establish central stations for commercial messages. If each one of these countries had no objection to this proposed cooperation, it was desired in accordance with the policy of cooperation to have commercial firms of each of the interested countries confer over the details to be put into practice. The British were in the course of getting instructions from their home government and their intentions were not clear, but the Americans on the whole were in favor of this policy of cooperation. If the policy of cooperation should not be established, the French intended to cooperate with the Americans and erect a station in Shanghai or vicinity.

He spoke as though the inclination was to have an informal exchange of opinion on this matter between the specialists outside the conference.

It would seem that our staff member did no more than listen to his explanation.

However, as we had stated before in a previous cablegram, this proposal for coalition tends to be something difficult any longer to avoid. Even if we attempt monopolistic claims at this time on the strength of acquired rights, we think it will be difficult to bring about any realization of them. It is necessary therefore to give further special consideration to a concrete, systematic plan for coalition. We shall arrange, however, that if the French fortunately consult us again in some way in regard to their wish for a close, informal conversation, our specialists shall get in touch with them without in any way committing us as to policy, and thereby take measures that consultations that exclude us will not be prolonged between America, France, etc.

We note the above for your information.

Tokyo-Washington, Conference No. 284. January 6, 1922.

In reference to the Viviani resolution in your cablegram No. 209 there is of course no objection to the spirit of its provisions, but Japan interprets the monopolies possessed by the Great Northern and Great Eastern Telegraph companies as referring only to wire telegraphy while the interpretation is made by America that wireless is also included. By the American interpretation, (note. "pu-- bee ru", evidently English word, but garbled beyond recognition as second syllable cannot be identified), foreign electrical communication in China is restricted by the monopolies of these ^{two} companies until the end of the year 1930. As long, therefore, as these monopolies are not abolished, they practically make a dead letter of this resolution until the end of that year.

and, in this case, the resolutions are connected with wireless alone and their proposals do not apply to the whole question of electrical communications. In case the settlement appears in that shape, it will result in the Mitsui wireless monopoly alone being abolished. This is very unfair and requires careful consideration.

The Mitsui wireless monopoly was a guarantee which was granted to ensure a secure foundation for that enterprise and was certainly not in conflict with the principle of equal opportunity. Besides this, even if we repeat discussions with the American government, it may be difficult to cause the abolishment of the Federal wireless agreement which that government supports. It is thought that, dependent on the aspect of the conference, there is nothing left but to relinquish this, but if the Mitsui wireless monopoly is to be abolished as a result of agreement to this resolution, we must demand, of course, at this same time, that the monopolies of the two companies be limited to wire lines and, also at the same time, must demand a pledge for the abolishment of the said monopolies.

Both the above mentioned companies have monopolized the wire communications in China for a long time, and have not only restrained the natural development of communications enterprises in that country in the past, but also they are pressing the Chinese government to further extend their monopolies, and if they are disregarded and left in this condition, in the future they will also be a restraint upon business in China for a long time, and will entirely destroy the signification of the Viviani proposals. Accordingly, though the governments of all the countries agree to this "gentleman's proposals" as a sign of respect for the sovereignty of China in respect to her communications, it must be emphasized that plans are to be made for the improvement of electrical communications in that country and that we must demand, at the same time, the abolishment of the monopolies of these two companies.

In the above situation, whatever is done in regard to the signification

of the resolutions in this matter, aside from the relative advantages and disadvantages to us, on this account it is preferable to direct the argument toward larger objectives and it would be very bad policy to make the question relate to wireless only. It is felt that there is necessity for amendment of the resolution to favor the accomplishment of improvements in the Chinese section of electrical communications upon the basis of foreign direction just as in the case of the abolishment of the postoffices.

Taking the point of view that the question of the existence of the Great Northern and Great Eastern companies' monopolies is naturally involved in this resolution, you will propose that it be amended in the sense of establishing general principles concerning electrical communication by wire and by wireless.

It is also clear, from your cablegram No. 207 (fifteenth session of committee on Far Eastern questions December 12) judging from Balfour's announcement, that there will be strenuous opposition by the English government to the abolishment of the monopolies of two companies and it is not hard to conjecture that it will be the cause for occasioning questions of extremely difficult character, but in regard to these monopolies not only did the American government, through its chargé d'affaires here, declare to the foreign minister plainly, on July 7 last, that not only had it not recognized them, but also that it was insisting they were invalid etc., etc., but also these monopolies are a striking example of a violation of the principle of equal opportunity. This cannot be disputed by that government. You will avail yourself of the above properly from the Americans, and taking proper care not to hurt the feelings of the British, you will make every effort to attain the purpose stated above.

After all these private, informal conversations on the subject, the matter was by no means settled. It was reopened in the Far Eastern committee January 24 by

rehashing the Viviani resolution. Root introduced a new one providing for a commission to review the technical aspects of the case before any final steps were taken. The next day both of these resolutions were referred to the drafting committee. January 26 the drafting committee reported them out unharmonized and Root started a deluge of resolutions by presenting a third one on wireless. Hughes reopened discussion and the French delegation brought forward another contribution as did George Foster Pearce, British delegate from Australia.

It ended with the rejection of all resolutions except the original Viviani one the next day amplified by two declarations: one by the powers asserting that nothing was to be taken as an expression of opinion as to whether the stations had been duly authorized or not; and one by China denying the right of foreigners to build stations in legations, settlements, and railway areas.

Washington-Tokyo, Conference No. 538, January 25, 1922.

~~Washington-Tokyo Conference No. 636, February 8, 1922,~~

In the discussion of Viviani's resolution regarding the Chinese wireless question, Hanihara first pointed out that this question is one of vital interest to Japan from a geographical point of view and from the standpoint of her existing interests. ~~and~~ China also requested that this question be postponed. As you are aware, however, from our successive cablegrams since then, the British and French have been holding informal conversations with members of our subordinate staff ~~and~~ I think that a general understanding has been reached with the Americans also regarding

the proposition of the British and French. Accordingly, my opinion was that since a settlement had practically been reached among the experts, the discussion of this question should be confined as far as possible to them, and that an agreement would be reached favorable to us.

On January 20, the tenth session of the drafting committee convened. First, Root presented the resolution with reference to the new wireless proposal contained in accompanying cablegram No. 539 and invited discussion. Root's resolution in effect makes no reference to the principle of amalgamation of wireless interests as in the Viviani proposal, and merely provides for the formation of a commission to investigate wireless enterprises in China outside of the Washington conference.

The British plenipotentiary, Geddes, expressed the view that it was necessary to give careful consideration to the various wireless enterprises in China and their special rights, but that it was difficult in the present conference to discuss exhaustively all these details, and that, therefore, this conference should confine itself merely to devising the means to form an international organization for the purpose of investigation; that it would be more fitting that this question and other concrete questions should not be subjects for the consideration of the Washington conference, but should be taken up in due time by the above mentioned international organization. He seemed rather inclined to favor the Root resolution.

The French delegate then said that France could not consent to have the matter of a commission to study this question made entirely distinct from this conference and independent of it. There could be no objection to having the sub-committee of this conference, since it numbered experts in such matters, investigate such points as the Root resolution. He expressed the hope that this conference would at least come to a theoretical decision in principle only, after discussion upon the basis of the Viviani resolution.

The several delegates from the other countries made statements, one

Since the discussion of Far Eastern questions will shortly be brought to a close and there will not be time to wait for instructions, please grant us full authority.

Washington-Tokyo Conference No. 636. February 8, 1922.

In regard to the last part of my conference No. 554, several informal conversations have since taken place among the Japanese, British, American and French specialists with respect to the question of combining wireless interests in China. The opinions of Japan, Great Britain and France approached each others' in the main, but America, not readily consenting to a joint proposal, declared her intention to support independently as before the Federal enterprises and to devote herself entirely to communication between China and America. As a result of this there was no agreement of opinion between the four countries, and finally they signed the document given in substance in accompanying cablegram No. 637, which was to be recommended to each of the countries. The organization proposal jointly by Japan, Great Britain and France was in the main the same as the British proposal given in our conference cablegram No. 433, but, already this joint proposal has not been approved in America and consequently it is thought that complete amalgamation of wireless in China is hardly to be expected. In spite of this I think special consideration must be given as to whether it will ^Ultimately be expedient for the three countries alone to continue discussion on amalgamation, and I therefore think that the only thing to do is to drop the conversations in Washington where they are and to give special consideration to our future policy, on the basis of the informal conferences between the specialists given in my accompanying cablegram.

If Japan, Great Britain, and France adopt the idea of forming a joint

enterprise between the three countries, the conferences between those embarking upon this joint enterprise (the Radio corporation will also probably take part in the conferences) will admit officials as observers from the interested countries.

In the opinion of Brown and Girard, the British and French Governments will probably adopt the same views. However, Young of the Radio corporation expects to be in Europe within about six weeks on account of the usual question of wireless with South America, and it is said he wishes to utilize that time as far as possible to hold a joint conference in Paris or London to negotiate the combination. He has asked how this will suit Japan. Please cable your opinion immediately.

(space) (possible chapter book)

Meanwhile the conference had arrived at the subject of leased territories.

A brief survey of methods by which the foreign nations obtained footholds for themselves on the littoral of China may not be amiss here. The cession of Hongkong to the British in 1842 was the earliest alienation of Chinese territory. Even the Russians did not begin their invasion of Far Eastern Siberia and northern Manchuria until five years later.

No territory had been leased, however, until near the close of the century.

The Japanese had fought the Chinese over Korea, ththrew them soundly and taken the Liaotung peninsula as trophy of war and victors's spoils until France, Germany and Russia intervened and made her return it. This triumph of the hitherto comparatively unimportant, "little fellow" and the ease with which she persuaded China to part with a very strategic plot of land gave the "big fellows" ideas.

Not long after this, two unfortunate German missionaries got themselves murdered

in Shantung and thereby did their country a great favor. A German fleet November 14, 1897 occupied Tsingtao while negotiations toward indemnity were under way. As a consequence China consented under pressure to grant Germany a 99 year lease on Kiaochow bay to fortify and maintain troops there, with the additional rights of building a railroad from Tsingtao to Tsinanfu and of exploiting mines in Shantung province. This was March 1898.

Russia, ardent enemy of Germany, was not going to let the foe be master of the Asiatic coast without a struggle. The Russian fleet seized Port Arthur and Talienwan with the consequence that a treaty was signed May 27, 1898, giving them right to continue^{there,} and an additional agreement May 7, 1898 set the time limit at 25 years. By April 10 France had come ~~to~~ to reinforce her

ally Russia by taking Kwangchow-wan to which she obtained a treaty for a 99 year lease on May 27, 1898. Great Britain had been dickering at Peking for Wei-hai-wei and a strip of land in Kowloon opposite Hongkōng. The first she gained right to occupy for as long as Russia stayed in Liaotung and the latter, for 99 years.

It was at this point that Secretary John Hay ^{felt} ~~lost~~ it incumbent to send out his pleas for the open door.

John Hay Note to Great Britain, France, Germany, Russia, Japan and Italy September 6, 1899

(He wished formal assurance, from each within its respective sphere of influence)

(1) That it will in no wise interfere with any treaty port or any vested interest within any so-called "spheres of interest" or leased territory it may have in China.

(2) That the Chinese treaty tariff of the time being shall apply to all merchandise landed or shipped to all such ports within such "spheres of interest" (unless they be "free ports"), no matter to what nationality it may belong, and that duties so leviabale shall be collected by the Chinese government.

(3) That it will levy no higher harbor dues on vessels of another nationality frequenting any port in such "spheres" than shall be levied on vessels of its own nationality, and no higher railroad charges over lines built, controlled, or operated within its "spheres" on merchandise belonging to citizens or subjects of other nationalities transported through such "sphere" than shall be levied on

similar merchandise belonging to its own nationals transported over equal distances.

(apoc.)

This was amplified the following year, July 3, 1900, by a further note to Austria-Hungary, France, Germany, Great Britain, Italy, Japan and Russia stating that the policy of the United States was to seek a solution of the Boxer troubles that would bring "permanent safety and peace to China, preserve Chinese territorial and administrative entity, protect all rights guaranteed to friendly powers by treaty and international law, and safeguard for the world, the principle of equal and impartial trade with all parts of the Chinese Empire."

The Portsmouth treaty at the close of the Russo-Japanese war transferred the Russian rights in Liaotung to Japan and also the rights in the South Manchuria Th railway below Changchun, besides recognizing Japan's paramount interest in Korea. Japan annexed the latter country in 1910 after a five years' protectorate. When the world war broke out and Japan responded to England's call, she entered Kiaochow and held Shantung November 7, 1914.

When Dr. Koo pled for an end to these imperia in imperio, England agreed to give up Wei-hai-wei and France to yield Kwang-chow-wan when Japan retired from Shantung. Separate conversations on the subject of the Japanese withdrawal from Shantung were already under way. Japan, therefore refused to discuss that in the conference, but reiterated her desire to leave that uncomfortable seat, internationally speaking. Britain refused to surrender Kowloon and Hongkong; the latter on the grounds that it was the most important free port in the world and necessary to the

of international trade in the Far East and the former on the stand that it was necessary to the adequate protection of the port. Japan likewise refused to^{re} turn Port Arthur, because it was taken from Russia rather than from China and was a legitimate spoil of war. Thereupon René Viviani modified France's offer to be contingent on the complete surrender of England and Japan's territories in China,- all this on December 3, 1921.

Disappointed China grew arrogant and demanded the unconditional withdrawal of England and Japan on December 7. February 1 when France knew that Shantung had been settled and that she had not had to cut her army, she magnanimously promised to restore Kwang-chow-wan regardless of the other nations. The need for the balance of the powers in the East had long since passed. Balfour spoke in general terms of doing something about Wei-hai-wei and things looked cheerful once more.

Another resolution displeasing to China, though she recognized the necessity of something being done about the subject, was the one formulated in the subcommittee on the tariff January 3, 1922. This had to do with the reduction of the enormous armies of the military tuchuns in the provinces. This was revised by Oscar Underwood and passed by the Far Eastern committee January 20.

Tariff Subcommittee's Proposed Resolution on China's Armies.

Underwood
The members of the subcommittee in studying the question of increasing the customs tariff rates to meet the urgent needs of the Chinese government have been

deeply impressed with the severe drain on China's public revenue through the maintenance of excessive military forces in various parts of the country. Most of these forces are controlled by the military chiefs of the provinces, and their continual maintenance appears to be mainly responsible for China's present unsettled political conditions.

(double space)

It is felt that large and prompt reduction of these forces will not only advance the cause of China's political unity and economic development, but hasten her financial rehabilitation. Therefore, without any intention to interfere in the internal problems of China, but animated by the sincere desire to see China develop and maintain for herself an effective and stable government, alike in her own interest and in the general interest of trade, and inspired by the spirit of this conference whose aim is to reduce, through the limitation of armament, "the enormous disbursements" which "manifestly constitute the greater part of the encumbrance upon enterprise and national prosperity," the subcommittee ventures to suggest for the consideration of the committee the advisability of laying before the conference for its adoption a resolution expressing the earnest hope of the conference and embodying recommendation to China that immediate and effective steps be taken by the Chinese government to reduce the aforesaid military forces and expenditure. Ichihashi, Y. The

Washington Conference and After, Chapter 13.

Revised Resolution

~~It is resolved, that this conference express to China the earnest hope that~~

Revised Resolution on China's Armies

Whereas, the powers attending this conference have been deeply impressed with the severe drain on the public revenue of China through the maintenance in various parts of the country of military forces, excessive in number and controlled by the military chiefs of the provinces without coordination; and

Whereas, the continued maintenance of these forces appears to be mainly responsible for China's present unsettled political conditions; and

Whereas, it is felt that large and prompt reductions of these forces will not only advance the cause of China's political unity and economic development, but will hasten her financial rehabilitation;

Therefore, without any intention to interfere in the internal problems of China, but animated by the sincere desire to see China develop and maintain for herself an effective and stable government, alike in her own interest and in the general interest of trade; and being inspired by the spirit of this conference, whose aim is to reduce, through the limitation of armaments, the enormous disbursements which manifestly constitute the greater part of the encumbrance upon enterprise and national prosperity; it is ~~resolved~~.

~~It is~~ ^Resolved that this conference express to China the earnest hope that immediate and effective steps may be taken by the Chinese government to reduce the aforesaid military forces and expenditures.
Current History, March 1922.

575a

~~Immediate and effective steps may be taken by the Chinese government to reduce the~~
~~deficit in its railway accounts and expenditures.~~

Another high-sounding resolution without much bottom to it and no teeth was Hughes well-meant proposal on the Chinese Railways which was passed with little comment on January 19.

The powers represented in this conference record their hope that, to the utmost degree consistent with legitimate existing rights, the future development of railways in China shall be so conducted as to enable the Chinese government to effect the unification of railways into a railway system under Chinese control, with such foreign financial and technical assistance as may prove necessary in the interest of that system. The -- New York Times. January 20, 1922

(space)
(space)
One of the most important resolutions of the whole Far Eastern conference was proposed the same day as Hughes railway measure. That was the resolution on publicity of contracts calling for a listing of all agreement and commitments concerning China on which the powers intended to rely in the future. These were to be filed with the secretary-general of the conference, none other than John Work Garrett, present ambassador to Italy. Doubtful ones, or those outmoded might be dropped without further notice; future ones were to be published within sixty days of their completion. They talked about the matter until the twenty-first when they adopted the resolution with amendments. The Japanese claimed that the government had no power to make their

nationals publish private contracts with the Chinese government without special legislation. Whereupon the powers placed that responsibility on the government of China. Other powers were invited to adhere to the agreement. Thus in three days was an end put to secret diplomacy in China.

Resolution on Publication of Contracts.

The powers represented in this conference, considering it desirable that there should hereafter be full publicity with respect to all matters affecting the political and other international obligations of China and of the several powers in relation to China, are agreed as follows:

(double space)

I. The several powers other than China will at their earliest convenience file with the secretariat-general of the conference for transmission to the participating powers a list of all treaties, conventions, exchange of notes, or other international agreements which they may have with China, or with any other power or powers in relation to China, which they deem to be still in force and upon which they may desire to rely. In each case, citations will be given to any official or other publication in which an authoritative text of the documents may be found. In any case in which the document may not have been published a copy of the text (in its original language or languages) will be filed with the secretariat-general of the conference.

Every treaty or other international agreement of the character described which

may be concluded hereafter shall be notified by the governments concerned within sixty (60) days of its conclusion to the powers who are signatories of or adherents to this agreement.

(Double space & indent)

II. The several powers other than China will file with the secretariat-general of the conference at their earliest convenience for transmission to the participating powers a list, as nearly complete as may be possible, of all those contracts between their nationals, of the one part, and the Chinese government or any of its administrative subdivisions or local authorities, of the other part, which involve any concession, franchise, option, or preference with respect to railway construction, mining, forestry, navigation, river conservancy, harbor works, reclamantion, electrical communications, or other public works or public services, or for the sale of arms or ammunition, or which involve a lien upon any of the public revenues or properties of the Chinese government or any of its administrative subdivisions.

There shall be, in the case of each document so listed, either a citation to a published text or a copy of the text itself.

Every contract of the public character described which may be concluded hereafter shall be notified by the governments concerned within sixty (60) days after the receipt of information of its conclusion to the powers who are signatories of or adherents to this agreement.

III. The Chinese government agrees to notify in the conditions laid down

herein which has been or may hereafter be concluded by that government or by any local authority in China with any foreign power or the nationals of any foreign power whether party to this agreement or not, so far as the information is in its possession.

IV. The governments of powers having treaty relations with China which are not represented at the present conference shall be invited to adhere to this agreement.

The United States government, as convener of the conference, undertakes to communicate this agreement to the governments of the said powers, with a view to obtaining their adherence thereto as soon as possible. -- ^{The} New York Times, January 22, 1922.

(space)

Just how did the Japanese in Washington and Tokyo welcome this sudden glare of the spotlight on their past agreements and the floodlight of publicity on their existing contracts? The delegation at Washington was inclined to welcome them as more of an advantage than disadvantage at first, until the home government raised certain theoretical objections about the difficulty of getting their ^t nationals to publish their contracts and other points.

One of the most interesting things in the cables is the stand they decide to take concerning publishing, dropping or just keeping quiet about certain secret agreements in the past, such as the Russo-Japanese agreements of 1910, the annex to

the Franco-Japanese treaty of 1907, certain Russo-Japanese notes about part of the Chinese Eastern railway south of the Shilka river which joins the Amur near Verchinsk and Chita and the Sino-Japanese agreements.

Washington-Tokyo, Conference No. 482, January 21, 1922.

~~Washington-Tokyo, Conference No. 500, January 25, 1922.~~

~~Tokyo-Washington, Conference No. 579, February 2, 1922.~~

~~Washington-Tokyo, Conference No. 614, February 2, 1922.~~

Newspapers of the twentieth published accounts of how on the nineteenth the Far Eastern committee had voted that each country should report to the secretary its contracts made with China. This met with a warm reception everywhere on the ground that as a result of this it would be possible to remove the which had monopolized interests through secret diplomacy. The press paid comparatively little attention to the decision regarding the railway question. Moreover, because of late the conference has been making steady progress, there is a tendency to take a less pessimistic view. However, apprehension is still entertained for the outlook of future conference meetings because of the standstill in the question of defences, the non-settlement of the Shantung question, and the discussion of the related question of the twenty-one demands.

Washington-Tokyo, Conference No. 501, January 25, 1922,

Referring to our conference No. 497, the principal purpose of

this resolution is the publication of treaties and agreements concerning China, and therefore not only is there no reason for directly opposing it, but, from the standpoint of doing away with the criticism and slander to the effect that we have been prone to conclude secret agreements of all kinds, it would be the best policy to proceed to approve the resolution. With regard, however, to treaties and international engagements which may be concluded in future there is a specific provision in Article ^{XVIII} ~~of~~ of the covenant of the League of Nations. ^(Future) ~~(Article)~~

(Article ^{XVIII} ~~of~~ reads - Every treaty or international engagement entered into hereafter by any member of the League shall be forthwith registered with the secretariat and shall as soon as possible be published by it. No such treaty or international engagement shall be binding until so registered.] and the reporting of these treaties and engagements to all the powers is sure to involve more or less complications in procedure. Still not only is this no ground for absolutely opposing the resolution, but the United States not having joined the League will have no obligation to report to any country the engagements which it may in future make with China. By this resolution the United States will be charged with this new obligation which may be considered somewhat of an advantage to the other powers.

With regard to private contracts, not only would they be an almost unendurable bother, but it is a material impossibility for a Government to be familiar with all the contracts of its citizens. We had therefore intended to offer suitable amendments when this provision came up for discussion, but affairs took the course described in conference cablegram No. 496 and the matter was decided substantially as we had desired.

As a result of this resolution, it will be necessary to present to the secretariat a report of existing treaties and commitments. During the discussion in the committee Hughes said that the secretariat

would remain in existence for a time after the close of the conference and requested that this report should be made to it. He apparently did not wish to specify a time limit, but we think it would be proper to make the report as quickly as properly consistent with taking time for investigation. In this connection we request you to consider and advise us concerning the following points:

1. Such treaties and international commitments as the Japanese - Russian agreements made since 1907 have already practically lost their validity and it will not be necessary for the Japanese government to appeal to them in future; in other words, we think that it will be proper to avoid reporting the Russian-Japanese secret agreement of that time on the ground that it is not included under the phrase of the resolution "desire to rely". With regard, however, to other secret agreements such as the secret annex to the Japanese-French treaty (The French plenipotentiaries say they wish to take an identical attitude with Japan concerning this annex) and the notes exchanged between Russia and Japan concerning the succession ^{to} the Chinese Eastern railway ~~South~~ of the Shilka River and the acquisition of the right on the Shilka (Note. Phrase about contents of notes is entirely obscure and doubtful), what is to be done? In view of the doubt whether these agreements are valid today when Russia has collapsed, we think a report of them might be postponed. (Most of the agreements between China and Japan concerning mail and telegraphs have hitherto not been published and have been treated as secret, but as these agreements are practically facts of general knowledge, we think that it is proper now to report them all.) if you have any opinions concerning other points, please include them in your reply.

2. With reference to various sorts of private contracts, the Asia bureau in its collection of reference material on Chinese questions has prepared a list of twenty-eight loans to China. From these there

will of course be no objection to reporting at this time those which have already officially or unofficially been published, but it is a question whether there is objection to reporting those other contracts of various kinds which come within the application of the resolution. With reference to the publication of private contracts, we think that it is necessary formally to ask the opinions of the parties. Please advise your opinion.

Of course if the parties to a contract do not consent to its publication, the government has no power to coerce them and therefore has no obligation to do so. This is a matter of course, but, as long as this resolution has already been adopted, we think that it would be very impolitic from a broad point of view to give the impression that we alone are particularly trying to avoid publication. It is needless to say that you will give thorough consideration to this in examining this question.

Tokyo-Washington, Conference No. 379. February 2, 1922.

Referring to your conference No. 501, we have no objections to the publication of the secret texts of the annexes to the Japanese-French agreement and the agreements between Japan and China in regard to postoffices and telegraphic communications, under the provisions of Paragraph 1 of the resolution.

However, in regard to the Japanese-Russian agreements since 1907 and the notes exchanged about these secret agreements and the southern lines of the Chinese Eastern Railway (Note. Long obscure string of syllables describing subject of these notes - cannot be translated with certainty), they are now under study, and we shall advise you later in reference to their publication.

As to the others, there is no objection to their immediate publication, but, as to the remainder, it is desired that you plan

for their publication later on, after they have been examined.

In addition, referring to agreements that fall within the application of Paragraph 2 of the resolution, we have already instituted an inquiry to ascertain the sentiments of the parties affected, and you will therefore await the results of this.

Washington-Tokyo Conference No. 614. February 3, 1922.

Referring to your cablegram No. 379, although the contents of the secret annexes to the Japanese-French treaty are not important, still as they have hitherto deliberately been kept secret, it must be thought likely that their publication at this time may react to produce unforeseen misunderstandings or at least make an unfavorable impression. Furthermore it is not thought that there will be occasion to appeal to these annexes in future. We therefore consider it advisable that we now agree with the French plenipotentiaries to annul them and not to report them. This has the full approval of the French plenipotentiaries.

Please send instructions immediately, -if possible, not later than Monday for convenience in making an agreement with the French.

When the Far Eastern conference reached that part of the agenda dealing with the Chinese Eastern railway, Japan hastened voluntarily to reform certain questionable practices of freight rates on the South Manchurian railway. On August 4, Edward Bell, the American chargé d'affaires at Tokyo called on Uchida, the foreign minister, to propose to amend the allied administration agreement of 1919 of the Chinese Eastern railway in order to improve traffic facilities and the financial status, to protect Russian interests and to adopt a policy in harmony

with local conditions. Frederick W. Stevens, the American member of the Consortium, was the head of the technical international board that supervised the Chinese Eastern. This was perhaps a feeler for the action taken in the conference.

Tokyo-Washington, No. 369, August 19, 1921.

On August 4, the American ~~Chargé~~ d'affaires called at the foreign ministry and handed me a memorandum. The first paragraph of this was to effect that the American government, desirous of improving the traffic facilities and financial status of the Chinese Eastern railway, of protecting Russian interests and of adopting a policy in harmony with conditions in Eastern Asia, feels it necessary to amend the Allied administration agreement of 1919 now in force.

The second part of the draft of the amendment I am sending you in cablegram No. 370.

In the last part of the draft it was recommended that Stevens, who from the beginning has filled the office of head of the present technical board in a satisfactory manner, be continued as head of the technical board under the new regime, which arrangement it was felt would be acceptable to the countries concerned.

In handing me the memorandum, the American chargé d'affaires added that the intention was to present it informally and bring about a preliminary understanding between Japan and the United States.

We are studying the question of what attitude to take in the matter. I have cabled the preceding at once for your information.

Shortly after the opening of the Washington conference Councilor Kiyoshi *Kanai*

asked instruction from Tokyo on revision of the Manchurian railroad rates from

Dr. S. Ishimaru, the vice-minister of the Railways. Tamura proposed the following

plan as his suggestion: no distinction to be made between goods shipped via or originating at Antung, a town on the Chinese border between Liaoning province in southern Manchuria and Korea, both a port on the bay of Chosen and a railroad town on a branch of the Southern Manchuria railway; Dalny, otherwise known as Dairen or Talienwan, a civil port on the Liaotung peninsula and controlled by Japan; or Yingkow or Newchwang, a railroad town and port on the gulf of Liaotung north of the gulf of Chihli; for points north of Mukden, capital of Liaoning province in Manchuria and railroad center, and vice versa.

Moreover, he instructed the Manchurian railway to make the through rate identical with the local rate on three line shipments by raising the local rate, lowering the through rate, or a compromise.

Washington-Tokyo, Conference No. 34, November 16, 1921.

~~Washington-Tokyo, Conference No. 38 November 17, 1921.~~

~~Washington-Tokyo, Conference No. 39 November 17, 1921.~~

~~Washington-Tokyo, Conference No. 40 November 17, 1921.~~

From Coun^{se}llor Kanai to Vice-Minister of Railways.

It looks as if railway rates would soon be taken up in the conference, and the question is raised by the foreign office whether it would be the proper time in view of the general situation to revise the Manchuria railway local rates and announce it there. I request your views.

In regard to the agenda heading "preferential railroad rates", we have as yet made no reply to the former protest from Great Britain and America regarding Manchurian railway rates. If this matter should come before the conference, we wish in general to take steps in accordance with our conference cablegram No. 39. Please instruct us at once. Also please see our conference cablegram No. 40 as a concrete revision in the spirit of No. 39.

(Japan)
Washington-Tokyo, Conference 39. November 17, 1921

The establishment of special rates for various kinds of freight on the Manchurian railway is not designed to give preference particularly to Japanese goods or Japanese merchants, but, just as if they were established on the basis of such a scheme, some are interpreting these preferential rates as contrary to the already established principles of the open door and equal opportunity.

The Japanese government considers it fitting at this time to clear the air of matters which it is feared may engender suspicion and is therefore having competent authorities make necessary amendments in freight rates connected with the Manchurian railway as follows:

1. No distinction shall be made in freight rates on the Manchurian railroad between goods shipped on the Manchurian railroad by direct connection via Antung, Dalny, or Yingkow for points on this line north of Mukden, and goods originating at Antung, Dalny, or Yingkow to points to on the Manchurian railroad north of Mukden.

2. Freight rates on the Manchurian railroad on goods shipped to the

interior of Japan from points on this road north of Mukden and sent via Antung and Korea, shall be the same as in the case of goods shipped to Antung from points on this road north of Mukden.

Washington-Tokyo, Conference No. 40 November 17, 1921

From Tamura to Manchurian Railway.

When the heading of "Preferential Railroad Rates" on the conference agenda is discussed, it is probable that the pending question of the unsettled British and American protests against Manchurian Railway rates on what are called three-line through-shipments will be brought up. It is the opinion of the plenipotentiary delegates that it is better for Japan at this time to take the initiative in not arousing the distrust of the powers, and they have recommended to the government that it should proceed with the policy of striking at the root of the difficulty by making this through rate on the Manchurian railway absolutely identical with the local rate. It is desired that the company shall at once draft a rate revision in this sense, and it will be necessary for it first to consult with the competent government authorities.

1. Regarding special rates to points on the Manchurian railway on through two or three line shipments handled from Shanghai by steamer lines by way of the Shoo, Yu and Sha lines to the three ports of Dairen, Ying~~X~~ow and Antung, there will be comparatively little effect in any case whether there is a uniform reduction of through rates or a raising of the special fixed rates.

2. If the special rate on grain and cattle shipments originating on the Manchurian railway and handled as three-line shipments could be discontinued, or if, as an emergency expedient for these two classifications only, a new uniform through and terminal rate could be made splitting the difference between the through and special rates to Antung, and if the revised schedule could be decided as soon as possible and put into effect on the initiative of Japan, this would be ^atimely demonstration [^]having the effect of displaying clearly our sincerity.

With regard to these points, Nos. 1 and 2, please inform us at once of your action.

3. Besides the above, in regard to through shipments on the South Manchuria and Chinese Eastern railways, through shipments from Japan to Manchuria, and other through shipments handled by the Kitcho and

Shitei Railway₂ and steamer lines into Dairen, Sha line and lines into Shanghai, there are differences of the through rates on the Manchurian railway from the local rates, but so far there has been no question about them and there will be no room for discussion of them in a sense.

It appears that it may be the case that it will be desirable to announce in connection with point No. 3 as in connection with points Nos. 1 and 2 that the rates will be adjusted in the sense of making the through rates absolutely the same as the local rates, but, first separating Nos. 1 and 2, we wish to be informed at once whether it is possible to reach an understanding with the authorities and revise the rates, the names of the connecting lines affected, and the time when the rates can be made effective, or in case it should be absolutely impossible to revise the freight schedules, the reasons in detail.

As the time drew near to consider the Chinese Eastern railway, the Japanese delegates at Washington planned their tactics to accomplish the greatest good for the future. They suggested that Japan and the United States should initiate reform of this great railway control and divide between them the power of supervision of personnel and loans. In an exceedingly frank cable they weigh the benefits that will accrue to them from several courses of action, one of which is to repudiate the support of Russia's rights in the railroad and support the Russo-Chinese agreement of 1920 concerning the return of the road to China. This was contrary to the stand of America and the other powers who upheld Russia's rights as owner. Lack of ability to trust Chinese friendship later and need for close cooperation with the United States keeps them true to their former declarations.

(~~that to follow cable~~)

(Masunosuke Odagiri was director of the Yokohama Specie Bank.)

Washington-Tokyo, Conference No. 233. December 15, 1921.

As the Chinese Eastern railway question is under one of the articles of the American agenda proposal, it is expected that the American government will probably propose in the conference the essential points of its proposal made to the Japanese government in August. Our views concerning this American proposal are fairly given in our answer of October 28, but no acceptance of them has since been received from the American government and it has as yet been impossible to secure a definite understanding between the two countries.

It need not be said that the question of what course is taken by this matter is of extreme importance to Japan. Stevens, who is closely connected with the American proposal, is now in Washington. Particularly on this account we think that it would be advisable to try shortly to have an exchange of views with the Americans if possible before it is brought up in the conference.

Please note the following opinions, and reply as soon as possible.

1. The effecting of assistance to the Chinese Eastern railway is of course based on a spirit of cooperation and joint action of the powers, but not only has the actual assistance hitherto been given mainly by Japan and the United States, but in future we may be sure that, though there may nominally be international financial support, the real task will fall on Japan and the United States. If such is the case, although this is supposed to be a plan for joint assistance, it principally concerns Japan and the United States and it would be better ~~for and~~ there should be no objection to these two countries taking the initiative in moving the matter. We should have several discussions to the foregoing effect

with the Americans and should go on to reach a general understanding beforehand in regard to the proposal to be presented to the conference.

2. In taking up the effecting of joint assistance, in order to guarantee the maintenance and operation of the railway, necessarily, unless the administration has in practice a sufficiently effective control especially over personnel and accounts, the results achieved will be small. ^UTh~~is~~ if we take the present system, if it were carried out without the technical board having entire control over loans of all sorts, over hiring and dismissing personnel, etc., the technical board would not be able to help the maintenance and operation of the railway and to go on to attain the object of bettering it. Judging by past experience this must be the reason for the Stevens proposal.

If the American government without having entire control over the foregoing two points should invest capital, or rather if Japan without securing this right of control should take the attitude of financing the railway, it is clear that the Americans would necessarily suspect some ambition in the Japanese finance. We should draft a plan for agreement granting the actual right of a sufficient control over personnel, accounts, etc., within the limit of not entirely ignoring the existence of the president of the Chinese Eastern railway.

3. The present control agreement respects the position of Russia as owner of the Chinese Eastern and the Siberian railway and, if the status quo is maintained, it is clear that this will be the fundamental principle. Meantime, however, China has constantly been eager to recover its rights and, finally, in October 1920, by pressure on the Russians, it secured a binding agreement with the Russian Asiatic Bank, but the governments of the powers have so far taken no action. Now, however, when the powers come to the point of giving joint assistance, it will be necessary for them to make clear their attitude towards this Russian-Chinese contract

especially as it appears that China, taking advantage of the fact that the Soviet government naturally has not taken much interest in the Chinese Eastern railway, wishes to negotiate with the Soviet Government or the Chita government and establish itself in an absolutely advantageous position towards that railway.

It is supposed from the way Stevens has formerly expressed himself on various occasions to Japanese officials that he also thinks that this agreement should not be approved. It will therefore be desirable to establish an understanding with the Americans and by disavowing this contract on a suitable occasion to restrain the reckless acts of the Chinese.

It might be a better plan to maintain a friendly attitude towards the Chinese movement for a restoration and to count on thereby attaining in the future an advantageous and sure position with regard to the railway. If this could be done smoothly and easily, it would be very convenient, but under the present circumstances a tacit acceptance of the restoration of the rights of China would not only be open to the objection that it is contrary to the policy we have hitherto had of wishing to respect the Russian status quo, but, even if we did tacitly accept it and hoped to join hands with China in future, it is doubtful whether China would really appreciate the kindness of Japan and take the step of acting in concert with us. In view of the reports we have received, we consider it better policy not to spit with the United States, etc., but as an immediate urgent policy to take a fair and impartial attitude from the point of view of respecting the vested rights of Russia, and to act in concert with the United States.

4. Of course we cannot easily approve the American proposal to give absolute authority to Stevens. Japan and the United States should be given control on a basis of equality or something corresponding to that. It will be proper to propose this to the other interested powers after first

securing a complete understanding with the United States. Of course since Japan and the United States stand in the position of prime movers as described above, we consider that it will be necessary for Japan and the United States jointly or, as the case may be, for Japan independently to be prepared to extend the considerable sums which will be necessary for future assistance to the railway.

The representative of the Russian Asiatic Bank, Jack Randoll, is now at Washington and appears recently to have been having some sort of conference with the American government authorities. In an interview with Odagiri the other day he told the latter that policing the Chinese Eastern railway would again become difficult in future when the Japanese troops were withdrawn from North Manchuria. He thought the only thing to do would be to give police power to the technical board and he had already expressed this opinion to the Americans. The Americans apparently were giving considerable thought to this matter.

Respectfully submitted for your information.

General Tanaka cabled the chief of staff that Japan should rightly have the lion's share in the new board of control.

From Tanaka, Washington, December 16, 1921.

To, Chief of Staff, Tokyo. Conference No. 28.

The plenipotentiary delegates telegraphed the minister of foreign affairs about the Chinese Eastern railway yesterday, the fifteenth, in conference cablegram No. 233. There are some points in that cablegram which it is hard to accept. After a conference with Plenipotentiary Hanihara I recommended a solution as follows:

1. As long as [Ed. Note. Possibly, Japan] and China are not, [Ed. Note. Possibly, friendly] it will be impossible to agree to the

..... [Ed. Note. Possibly, return] of the Chinese Eastern Railway.

2. From the point of view of respecting the sovereignty of China and Russia and of the national defence of, [Ed. Note. Possibly, Manchuria], financial aid should be given the Chinese Eastern Railway company as far as possible by Japan alone or, if it cannot be helped, by joint action of Japan and the United States alone. The investment of capital by the loan consortium will be opposed as heretofore.

3. In case it cannot be helped, it will be fair to have an equal number of equal technical and financial advisers from Japan and the United States.

4. In case this proposal becomes effective we should demand an understanding to effect the direct connection of rolling stock of the North and South Manchuria railways between Changchun and Harbin through the repair of the southern part of the Chinese Eastern lines or through other means.

Hughes appointed a subcommittee of technical experts to consider this white elephant on January 18. These men, Dewitt C. Poole, chief of the Russian affairs division of the state department; Le Maire de Warzee, Belgium; M. W. Lampson, Great Britain; Dr. Hawking Yen, China; M. Kammerer, France; Count Emilio Poliagno, Italy; Tsugne Matsudairo, Japan; de Kat Angelino, the Netherlands; and Captain Ernesto Vasconcellos, Portugal; - reported on January 23 in favor of the continuance of international control with more adequate police protection and supervision of finance. This was not at all acceptable to the dissenting voice of China.

Resolution on the Chinese Eastern Railway

The Chinese Eastern railway being an indispensable factor in the economic de-

velopment of Siberia, as well as Northern Manchuria, and constituting an essential link in a trans-continental railway system of international importance, the nations represented at this conference are interested in its preservation, its efficient operation, and its maintenance as a free avenue of commerce, open to the citizens of all countries without favor or discrimination.

(Double space + indent)

The status of the Chinese Eastern railway is determined by the contract concluded in 1896 between China and the Russo-Chinese (Russo-Asiatic) Bank and the contract concluded in 1898 between China and the Chinese Eastern railway company, and subsequent contracts between China and that company. The necessary funds for its construction were furnished by the Russian government and it was built under the direction and supervision of that government, acting through the Chinese Eastern railway company. The railway is in effect the property of the Russian government. China has certain ultimate reversionary rights which are provided for in the original contract of 1896.

The absence of the recognized Russian government since 1917 has made imperative for some time past certain measures providing for the preservation and continued operation of the railway. Early in 1919 -- as a consequence of assistance which had been given to Russia, at her request, in the operation of the entire trans-Siberian system, including the Chinese Eastern railway -- certain powers, which are represented at this conference, undertook to continue this assistance upon definite

terms. An agreement was concluded January, 1919, between the United States and Japan, under the terms of which China, France, Great Britain, and Italy subsequently cooperated. The fundamental purpose of the arrangement thus brought about was explicitly declared to be the temporary operation of the railways in question, with a view to their ultimate return to those in interest without the impairing of any existing rights.

The trusteeship thus assumed continues in force. Changes which have intervened since 1919 render necessary readjustments in its mode of operation.

The three principle problems are:

1. Finance.
2. Operation.
3. Police.

1. As to the first, it is to be observed that funds will be obtainable from bankers and other outside sources only if suitable conditions are established for the economical operation of the railway and if the funds provided are to be expended under adequate supervision. A suitable manner of providing such supervision, in the opinion of the committee, would be to establish at Harbin a finance committee, to consist of one representative each of the powers represented at the conference (so far as they might care to participate). This committee would replace the so-

called Inter-allied committee now established at Vladivostok and the so-called technical board at Harbin. It should exercise a general financial control and be entrusted with the exercise of the trusteeship which was assumed in 1919 and which cannot be discharged until the general recognition by the powers of a Russian government.

2. As to operation, in order to disturb as little as possible the normal situation, this should, in the opinion of the committee, be left in the hands of the Chinese Eastern railway company, the finance committee not to interfere with the technical operation of the railway, except so far as may be necessary to meet the conditions stated in the first sentence of paragraph 1.

3. The protection of the railway property and the maintenance of public order within the railway zone are of fundamental importance. In order to assure these, it is necessary to provide a dependable and effective police force or gendarme.

made to consist, if China so desired, of Chinese; but it would be
As the railway zone lies within Chinese territory, this could be essential, in the opinion of the committee, that -- as a temporary and exceptional measure, justified alike by existing conditions and the precedent of a Russian guard -- this police or gendarme should be paid by and remain under the control of the finance committee, as this body would be responsible under the trusteeship for the preservation of the property of the railway and the maintenance of conditions suitable to unhampered

TR
operation. -- New York Times, January 24, 1922.

And so a new subcommittee of delegates was appointed in the hope that through their diplomatic training they might compromise sufficiently to get some where. This new committee consisting of Root, ^{the United States;} de Cartier, ^{Belgium;} Geddes, ^{England;} ~~de~~ Albert Sarraut, ^{Koo, China;} ~~for~~ France; Luigi Albertini, ^{Italy;} ~~for~~ ^{Japan;} Manao Hanihara, ^{France;} Frans Beelaerts van Blokland, ~~for~~ the Netherlands, and Vasconcellos, ^{Portugal,} returned the report of the experts on February 2 with China still the dissenting voice. The Far Eastern committee proposed a resolution asking for better police, better personnel, economy, and the responsibility of China toward the bondholders.

Resolution on Chinese Eastern -- Adopted February 2, 1922

Resolved, that the preservation of the Chinese Eastern railway for those in interest requires that better protection be given to the railway and the persons engaged in its operation and use, a more careful selection of personnel to secure efficiency of service, and a more economical use of funds to prevent the waste of property.

That the subject should immediately be dealt with through the proper diplomatic channels. *At the same time all powers other than China - that is to say, the United States, Belgium, Great Britain, France, Italy, Japan, the Netherlands and Portugal - have united in the following reservation:*

The powers other than China in agreeing to the resolution regarding the Chinese Eastern railway reserve the right to insist hereafter upon the responsibility of China for performance or non-performance of the obligations toward the foreign stockholders, bondholders, and creditors of the Chinese Eastern railway company which

(double spaced and indented)
the powers deemed to result from the contracts under which the railroad was built and the action of China thereunder and the obligations which they deemed to be in the nature of a trust resulting from the exercise of power by the Chinese government over the possession and administration of the railroad. -- ^{The} New York Times, February 3, 1922.

(space)
It was eventually decided to settle the problem in the future through diplomatic channels. (Ft. ~~that~~ below table)
(Dr. J. G. Schurman was American minister to China.)

Tokyo-Washington, No. 81, February ?, 1921

Washington-London, No. 277, March 2, 1921.

Referring to Peking-Tokio cablegram No. 107, the Washington conference decided finally that the Chinese Eastern railway question should be decided in future through diplomatic channels (See Washington-Tokio conference cablegram Nos. 597, 598 and 599). We consider that if representatives of the diplomatic body at Peking make any representations to the Chinese government in this question, the representative of Japan should also naturally participate in their consideration. You will therefore take proper steps to secure from the state department and to cable the substance of the instructions of the American government to Schurman, ^{(Ft. ~~that~~} which were mentioned in Minister Obata's cablegram.

Only one subject remained untouched upon the agenda. At last the conference had reached the point that something had to be said about Siberia. As the case now stood there were Japanese troops there and America and the rest of the world wanted to

know how much longer and why they would be there. If you remember, Russia left the Allied cause in 1917, made separate peace with Germany and was thereafter busy with the throes of internal struggles due to the rise of the ~~Bolsheviks~~. This left stranded in western Siberia 120,000 Czecho-Slovak deserters of the Austrian-Hungarian cause and espousers of the ~~Allied~~.

They were so situated that it seemed easier, nearer, and safer to make their combined way eastward to embark for home, rather than to retrace their steps through hostile Bolshevik forces. Fifteen thousand of them succeeded in getting through to Vladivostok in June 1918 and taking over military stores. Japan and the allies were panicky at the idea of the spread of bolshevism and German influence over Siberia. Moreover, they felt it their duty to rescue the Czech troops. The Japanese landed marines at Vladivostok in April 1918 and were quickly followed by American and British marines.

In August after a proclamation to Russia that they contemplated no intervention in her internal affairs an international expeditionary force of American, British, Canadian, French, Italian and Japanese was sent into her interior. The military stores were protected and the last of the Czechs was rescued and embarked the following September 1920. In the meantime various White Russians made attempts to stem the tide of advancing bolshevism with or without the material aid and encouragement of

the allies. The Americans withdrew their troops in March 1920 and thereafter did all the other allies except Japan, who concentrated her troops around Vladivostok, and kept them there for over two years, because of the Nikolaievsk massacre. Japanese public opinion had been averse to the Siberian expedition, ^{but} due to the power of the military clique, public opinion had been ignored. The Japanese might have been out of both Siberian and North Sakhalin, which they occupied at great expense after the massacre, if allied opinion had been a little more insistent.

From Tanaka, Washington, December 29, 1931.

To Chief of Staff, Tokyo Conference No. A 34

... With regard to the Siberian question, the opinion of ... circles here had not hitherto been deeply concerned and it had expected that the future would finally be settled about as Japan wished. Lately, however, the opinion is seen that the settlement of the Siberian question is even more important than the settlement of the Chinese questions concerning the maintenance of peace in the Far East. This question in the end involves a discussion of expelling the influence of Japan from Far Eastern Asia and Russia and it cannot be viewed with optimism. This ^{is} primarily due to the strong propaganda of Russian residents of the United States, but our attitude heretofore has been passive and there has not been the least

~~any~~ shade of propaganda. The spectacle of Japan being pressed and

~~coerced by a conference including weak states like Holland and~~

~~Portugal and accepting their views is incompatible with the~~
~~prestige of the Japanese Empire.~~

As it was, when the case for Siberia was called by "Judge" Chairman Hughes, January 23, Baron Shidehara sprang to his feet, and launched into a defence of the Japanese occupation of Siberia. He stressed all the usual arguments as to propinquity, settlers and residents, the chaotic state of affairs, the unreliability of the bolsheviks as protectors of life and —

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~~...of life and~~ property and respecters of contracts, the dangers to the Korean border, the instigation of Korean conspiracies. He referred to the recent conference at Dairen with the Chita government over the withdrawal of Japanese troops. He did not refer to the fact that this conference was just staged for the benefit of the allies because of the pending Washington conference, though secret cables to that effect were sent to the various embassies and legations, but that is another story.

The next day Hughes stated the American point of view on the subject as to the desirability of non-interference with the internal government of Siberia and the preservation of the integrity of Russia. The French echoed these opinions and the subject was closed with alacrity so that there was no discussion. This was due as we learned previously to a pre-arranged agreement between the Japanese and the chairman to prevent an embarrassing situation arising. ^{Extrat} (See conference No. 517, Chapter 6,).

Following this, ^a Balfour broached [^] resolution forbidding the export of munitions to China and its territories. The Italians and the Dutch had to ask for instructions before accepting it, and, as a consequence, that well-meaning resolution landed in the wastebasket.

The resolutions on China were reported and adopted in the plenary session of February 1. The Chinese treaties were accepted on February 4 and signed the sixth.

They passed the senate March 29.

In the Far Eastern conference Japan's hand was against every man's. England at first blocked the rise in the temporary tariff besides trying to control the excess funds; France blocked the abolition of the land customs rate abatement and was cool to the employ of Japanese in the Chinese post-offices; the United States doggedly tried to introduce a review of the twenty-one demands under the proposal dealing with the examination of past privileges and under the resolution on the publication of contracts; China kept bringing up Shantung, Manchuria and the twenty-one demands, denounced the illegal maintenance of troops and wireless stations; and all the world wanted to indict Japan as to her conduct in Siberia.

Nevertheless she came out of this with colors still flying. If she did not get the desired revision of custodian banks, England was forced to concede a satisfactory rise in tariff. Though the rate abatement was post-poned, there was every view of concession in a few years at most. If she lost her plea for the Japanese postal clerks, she did successfully fend off all examination and revision of the twenty-one demands and Siberia. Though she had to yield with the others as to troops and wireless, she kept Shantung and Manchuria decisively from the main floor, besides rebuking China for waste in the resolution on the tuchuns. In these no small victories, honors go to new defenders of the faith, Odagiri, Matsudaira, Kanai, and others besides the old faithfuls, Shidehara, Kato and Hanihara.

16. Choo - choo.

(715-795-80)

17. All's Well

(796-820-29)

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Part V.
Shantung.

Chapter 14.
Oriental Tête a tête .

Though it was not on the regular agenda of the Washington conference, the settlement of the Shantung question threatened the life of several treaties and hence the success of the conference. Because Japan had been bluffed out of her foothold in the Liaotung peninsula on Manchurian soil after the Sino-Japanese war, she resolved to hang on to Shantung to the very last for the utmost favorable concessions attainable.

After the Sino-Japanese war of 1895, which the latter fought for governmental reform in Korea, China ceded the Liaotung peninsula to Japan along with Formosa and the Pescadores as spoils of war, but Russia, France and Germany intervened to make Japan return her Manchurian acquisition. As we saw in Chapter 13, China paid dearly for this big-hearted gesture of the European powers. Three years later when a few German missionaries were killed in the holy province of Tsao-chow fu in Shantung, the Germans invaded the bay and port of Kiaochow and acquired in the Sino-German treaty of 1898: a ninety-nine year lease on Kiaochow, railway and mining rights along the right of way, fort construction and troop maintenance rights, and the

promise to use German personnel, capital and material first in the development of that province. In the treaty there was also the important provision that the Japanese chose to overlook later. One small paragraph provided that Germany could not transfer the rights ceded to her to any other nation, and also there was a reservation to the effect that China might redeem control of the railways constructed in Shantung. Don't forget this. The Chinese didn't, but the Japanese did.

The ill-famed Anglo-Japanese alliance which was called into action during the world war of 1914 did China the greatest dis-service of any foreign agreement in history, according to "Putnam Weale," pen name of Bertram Lenox Simpson, former adviser of the Chinese government, in his An Indiscreet Chronicle from the Pacific, due to the mistaken advice of Sir John Jordan, the British ambassador at Peking and now member of the British delegation. At the opening of hostilities in August 1914, China wished to declare war on Germany and run the Germans out of Kiaochow, but desisted from ~~their~~ intent on the urgent advices of the British ambassador.

repetition

Practically at the same time, on August 3, the British ambassador at Tokyo, Sir William Conyngham Greene, inquired of the foreign office whether the Mikado would support England in the world war on the strength of the alliance. Baron Taka-aki Kato the foreign minister told him "yes" the next day and Britain declared war, and China, her neutrality August 6. The next day England requested the immediate cooperation of Japan and the following day it was promised. August 15 Japan delivered her ultimatum to Germany, neglecting to tell China until five days later when she asked its

unconditional acceptance.

At the expiration of the ultimatum on August 23, Japan declared war and began preparations to invade Kiaochow. On September 3 when 20,000 Japanese landed at Lungkow, 150 miles north of Tsingtao, China established a war zone including Lungkow, Laichow and Kiaochow. A fortnight later the Japanese troops reached Tsingtao where they were joined by a detachment of British which had landed at Laoshan Bay within the leased territory. September 26 four hundred Japanese occupied Weihsien, ninety miles west of Tsingtao, in spite of Chinese protest that the railroad to Tsinan was private property. Japan merely replied that this action was necessary to prevent commandeering by the German government and proceeded to occupy the station at Tsinan and seize the mining properties along the way in the face of further Chinese protests. Many words have been spilt on whether this action was justified as a military move. November 8 Tsingtao surrendered and eight days later the allies entered. By that error of England, China was prevented from regaining her own territory simply and legitimately and the whole disastrous question of Shantung was hatched.

Japan had learned her lesson from Liaotung and was resolved that she would not be bluffed out of her so-called rights this time: therefore she reinforced her claim by the ill-reputed "Twenty-one Demands" on January 17, 1915, in which China agreed (1) to recognize any agreement made between Japan and Germany about Shantung, (2) to let Japan finance a railway from Chefoo to Lungkow to ~~the~~ the Kiaochow-Tsinan stem, (3) to

open cities and towns for residence and trade of foreigners on the advice of Japan, and (4) never to cede or lease territory within or along the coast of Shantung among other things.

After the Russo-Japanese war Japan inherited Russian rights in Southern Manchuria, her lease to Dalny and Port Arthur and her interest in the Southern Manchurian railroad lease. Japan neglected to get China's consent to this change previous to the Portsmouth treaty of 1905 and when time came for China to okay the agreement she hemmed and hawed and dilly-dallied until Japan's patience was almost at end. The memory of this likewise was behind Japan's efforts to get China's "consent" previously.

"Putnam Weale" says that the Chinese minister in Tokyo, _____, learned secretly in November 1914 of the coming demands. He consulted Marquis Masayoshi Matsukato, leading figure of the Genro, or senior advisers to the Emperor, who was opposed to this move. Opinion was divided throughout the diet likewise as to the advisability of the demands, but the military element, who had the upper hand, insisted on seeing them through. Early in December Eki Hiroki, Japanese minister in Peking, received his first instructions about them.

On New Year's day 1915 the port was opened to trade. China consequently revoked the war zone a week later. The Japanese minister entered a protest refusing to acknowledge or respect the neutral status and a few days later the Japanese general seized the Tsingtao customs. President Yuan Shih-kai protested Japan's continued presence in Shantung vainly, Japan's answer was the formal presentation of the dreaded demands

on January 18, 1915.

Negotiations concerning them dragged on until spring. Japan claimed that China had agreed to most of them unofficially before that time and that her ultimatum to China May 7 was just a "formal gesture" to bring things to a close officially. However it was, the Chinese agreed most reluctantly to all the demands, (except the last group, Group V about using the services of Japanese advisers) in two treaties and several notes which were signed on May 25. Only the first four articles dealt with Shantung. Briefly Article I said that Japan and Germany could ^Settle the German rights in Shantung between themselves and China would respect such settlement; Article II permitted ^T Japanese capitalists to finance a branch railway; Article III opened certain towns to foreigners, and Article IV provided that the agreement should take effect when signed. Besides these there were a non-alienation of territory note, one that China would consult Japan on the towns to open, and one in which Japan promised to return Shantung to China if Tsingtao was made an open port, if she could have a Japanese settlement as in Shanghai, if the other powers could have an international settlement, and if there were previous arrangement for the disposal of German public properties, etc.

Japan did not wait until the close of negotiations to publish the demands.

At the desire of China and the world they were made public minus the obnoxious Group

1915
V on February 14. The Genro opposed Group V. The ultimatum did not go unopposed.

America sent a note to Tokyo (and Peking) May 16, 1915 stating that

(open)

In view of the circumstances of the negotiations which have taken

place or which are now pending between the government of China and the

government of Japan and the agreements which have been reached, and as a

result thereof, the government of the United States has the honor to

notify the government of Japan that it cannot recognize any agreement or

undertaking which has been entered into, or which may be entered into be-

tween the governments of China and Japan impairing the treaty rights of the

United States and its citizens in China, or the political or territorial

integrity of the Republic of China, or the international policy commonly

known as the Open Door policy.- The New York Times, December 19, 1921.

(Double space)
[Cm] (open)
February 16, 1917 Great Britain agreed to support Japan's claim for the disposal

of Shantung and the possession of the German islands north of the equator in the

Pacific in return for Japan's support of the British claim to the Pacific islands

south of the equator. By March 1, France had likewise agreed, provided Japan would

push the breaking of Chinese relations with Germany.

America's biggest mistake in the war, according to "Putnam Weale," was to urge

China to enter the war on the promise of financial support and then neglect to

keep her word. The Japanese minister at Peking, instigated by Tokyo, pushed for war

and lent 100 million gold dollars. Japan as a consequence sewed up Shantung and the

Pacific islands. This, probably as much as the show of force in May 1915 accomplished

the officials to China's acceptance of the demands. And there might have been gifts to the proper sources as well. Louis Seibold in The New York Herald in 1921

said:

(copy)
Diplomats, political leaders and the promoters of vast business interests of world wide importance rightly or unjustly regard Japan as an avaricious and not a friendly neighbor of impotent and undeveloped China ... Keen observers at Tokyo, Peking, Seoul, Mukden, Canton, Shanghai and Hongkong, to say nothing of the well informed officials in European chancelleries, regard the general staff of the Japanese army, which dominates all other agencies of the Mikado's government, as the strongest single influence in China ... Evidence that leaves but little doubt in the impartial mind has repeatedly been produced to show that by threats of a punitive character, through the insidiously conducted propaganda of its wonderful system of espionage and through the debauchery of mercenaries holding high official positions in the Chinese government (or governments) the Japanese military staff has coerced the helpless peoples of China time and again Japanese intrigue at Peking has provoked the fall of more than one cabinet: Japanese money is credited with having bought the betrayal of the Chinese people by their own public servants; Japanese influence has been the dominant factor in provoking war between

the predatory tuchuns of most provinces.

(space)

John Dewey in China, Japan and the U. S. A. goes further to say that,

(space)

(inident double space)
influential Chinese ministers are in constant receipt of Japanese funds and these corrupt officials are the agencies by which political and economic concessions were wrung from China while Europe and America were busy with the war.

(space)

By October 1, 1917 there was a Japanese civil administration at Tsingtao with branches at Fangtze, Chaotien and Tsinan all three outside the leased territory and the fifty-kilometer zone. At Fangtze, they even levied taxes and asserted jurisdiction over Chinese. The railway and mines were brought under the civil administration. Where the Germans had exclusively employed Chinese in the railway shops, as railway guards and in all minor positions on the railway itself, the Japanese introduced their countrymen. They went further and built barracks at Tsinan and powerful radio stations on the garrison grounds. They placed soldiers at every station and garrisons in the big towns. As a result they were in a position to cut all communication between south China and Peking, and with the South Manchurian railroad in the north hold the entire coast, so that they might descend on Peking at will did they so choose.

An excellent picture of the situation from 1915-1922 is given by Dewey in the above mentioned work.

(space)

An American can get an idea of the realities of the present situation if he imagines a foreign garrison and military wireless in Wilmington, with a railroad from that point to a fortified seaport controlled by the foreign power, at which the foreign nations can land, without resistance, troops as fast as they can be transported, and with bases of supply, munitions, food, uniforms, etc. already located at Wilmington, at the seaport and several places along the line. Reverse the directions from south to north, and Wilmington will stand for Tsinan, Shanghai for New York, Hanking for Philadelphia with Peking for Washington, and Tientsin for Baltimore. Suppose in addition the Pennsylvania railroad is the sole means of communication between Washington and the chief commercial and industrial centers, and you have the frame work of the Shantung picture as it presents itself daily to the inhabitants of China You have to add that the same foreign nation controls also all coast communications from, say, Raleigh southwards, with railroad lines both to the nearby coast and to New Orleans. For (still reversing directions) this corresponds to the position of Imperial Japan in Manchuria with railroads to Dairen and through Korea to a port twelve hours sail from a great military center in Japan proper.

Moreover, by means of discrimination in use of the railroad for shipping they managed to get control of the non-treaty mines at ~~F~~^Usshun, through refusing to furnish cars, sending one too late, or sending a flock and charging for all even when the order was cancelled. They sent copper cash from Shantung to Japan and introduced several million dollars of paper currency redeemable only in Japan where no gold was allowed to leave the country. And then Japan innocently assumed the attitude that retaliatory boycotts were intolerable and necessitated interference!

In 1913 Germany had acquired the right to build the Kaomi railroad to a point on the Tientsin-Pukow line, tentatively at Hsuehow, and another from Tsinan to a point on the Peking-Hankow line between Shunteh and Sinhsiang! (Foot)

(Kaomi is west of Kiaochow on the main line to Tsinan. ^{Hsuehow} ~~Hsuehow~~ is southwest of Tsinan. Pukow is inland from Shanghai south of Shantung. Hankow is south west of Pukow. Shunteh and Sinhsiang are almost directly west of Tsinan.) On September 24, 1918 Japan opened parley for a preliminary railway loan to connect the Kiaochow-Tsinan line with the Tientsin-Pukow line at Hsuehow in Kiangsu province, and agreed to abolish the civil administration bureau and to withdraw troops to Tsingtao except for a contingent squad at Tsinan. In return the Chinese government reconfirmed all the rights and provisions granted in the ^treaty of May 25, 1915. The final agreement was

unsigned according to the Chinese Yearbook of 1921.

A few days later the Russian and Italian governments promised to support Japan's claims at the peace conference. With her claims bolstered by the twenty-one demands, by the promises of England, France, Italy, and Russia, Japan stood out stoutly for her wants at Versailles. She was rewarded with Article 156 of the treaty of Versailles in which Germany renounced all territory, railways, mines, and submarine cables in Shantung to Japan, though according to the original Sino-German agreement they were not hers to renounce to any country. Articles 157 and 158 turned over the public properties and deeds. (Ext)

(The articles from Section VIII of the Versailles treaty dealing with Shantung are as follows:

Article 156-- Germany renounces, in favor of Japan, all her rights, titles, and privileges -- particularly those concerning the territory of Kiaochow, railways, mines, and submarine cables, which she acquired in virtue of the treaty concluded by her with China on March 6, 1898, and of all other arrangements relative to the province of Shantung.

All German rights in the Tsingtao-Tsinanfu railway, including its branch lines, together with its subsidiary property of all kinds, stations, shops, fixed and rolling stock, mines, plant, and material for the exploitation

(double space)

of the mines are and remain acquired by Japan, together with all rights and privileges attaching thereto.

The German state submarine cables from Tsingtao to Shanghai and from Tsingtao to Chefoo, with all the rights, privileges, and properties attaching thereto, are similarly acquired by Japan, free and clear of all charges and incumbrances.

Article 157 -- The movable and immovable property owned by the German state in the territory of Kiaochow, as well as all the rights which Germany might claim in consequence of the works or improvements made or of the expenses incurred by her, directly or indirectly, in connection with this territory, are and remain acquired by Japan, free and clear of all charges and incumbrances.

Article 158 -- Germany shall hand over to Japan, within three months from the coming into force of the present treaty the archives, registers, plans, title deeds, and documents of every kind, wherever they may be, relating to the administration, whether civil, military, financial, judicial or other, of the territory of Kiaochow.

Within the same period Germany shall give particulars to Japan of all treaties, arrangements or agreements relating to the rights, title or privileges referred to in the two preceding articles. -- Current History, August 1919.

According to Robert Lansing in The Peace Negotiations it was by threatening to withdraw from the peace conference and by agreeing to pass up a proposed amendment declaring for racial equality and by promising orally to restore rights of sovereignty over Shantung to China in the near future, that Japan won her demands of the Kiaochow leasehold, the Tsingtao-Tsinan railroad, the mines the German public property and the mandate for the Marshall and Caroline islands as well as damages and tonnage, June 28, 1919. Viscount Kibuaki Makino, delegate at Versailles, on March 27, 1921 denied this allegation and said that he had seen Wilson only two times, in a four power conference on April 21 and April 30, 1919 and that there had been no threats nor any attempt to force Wilson's hand. In the light of other polite denials this must be taken with a grain of salt.

Japan endeavored to make good her word to return sovereignty to China and restore private rights in Shantung by an offer to bargain that year, but China refused to consider it. The Japanese minister at Peking on January 16, 1920 sought to open negotiations with the Chinese government, but China neglected to reply. On April 26, he again urged Peking to parley, but on May 22 China returned that since she had not signed the treaty of Versailles, there was nothing to negotiate.

China claimed that Shantung should have reverted direct to her on the following grounds: 1. Military occupation does not give title to territory occupied;

(double space)
it is subject to confirmation at the peace conference. 2. The Japanese occupation of Shantung after August 14, 1917 when China declared war, was against the rights of China as an associate and ally in war. 3. China considered the treaty of May 25, 1915 as a temporary agreement until the peace conference. 4. China abrogated all treaties, etc. with Germany by her war declaration; therefore, Germany had no rights in Shantung to surrender to another power. 5. Germany was unable to transfer territory to a third power by the expressed convention in the agreement of March 6, 1898. 6. China had the right to buy back the railway in the agreement of March 21, 1900. ^(tent) (See China Yearbook 1921).

The first preliminaries to the negotiations held in Washington coexistent with but not part of the Washington conference were secret exchanges between Tokyo and Peking during the spring and summer of 1921. Tokyo reported to Washington that at last there was talk of direct settlement between China and Japan about Shantung, March 21, 1921. Ku yei-chun is Welling Koo, Chinese ambassador to London. Coun^{se}llor Yu is the member of the Japanese legation staff who tried through Major-General Rihachiro Banzai, Japanese military adviser to the Chinese foreign ministry, to solve the problem.

(space)
Tokyo-London, No. 193. March ?, 1921.

London-Washington, No. 141. March 21, 1921.

(Note. Text is garbled and difficult.)

Japanese-Chinese negotiations on the Shantung question have for some time been in abeyance, but recently more or less discussion of the question is to be found in Chinese newspapers. It is said that Ku Wei-chun recently cabled the Chinese government that there was no occasion to present this question to the League of Nations, and that it would be better to enter direct negotiations ^epr~~a~~ised on the demand that Japan should first with~~h~~draw her garrisons from along the Shantung Railway.

Lately American newspaper organs at Peking have stated that it is generally reported in diplomatic circles that, as a condition for accelerating direct negotiations, China will demand : (1) the extension of the terms of loans which are maturing; (2) concessions in the "Kozoshun" matter; (3) support of the present Chinese cabinet and the influence of its statesmen.

A report that Minister Obata had received instructions to accelerate direct negotiations was brought to the attention of our legation, and was denied, and the report of Ku Wei-chun's cablegram seems to be extremely doubtful, but discussion and propaganda news reports on this question are gradually becoming rife.

In fact since then a member of the Chinese foreign ministry proposed to a member of our legation staff that they two should try to devise some solution of the question.

Moreover, the foreign minister included, and the Shantung Tuchun (Note. Text full of large gaps, and meaning cannot even be guessed for about twenty words).

We had already replied that we could hardly open conversations unless we were assured that the Chinese government in good faith wished to do everything in its power to reach a solution of the question by direct negotiations. In case, such negotiations were desired, a formal

and clear resolution of the Chinese President and cabinet should be transmitted to us.

It appears from these facts and from the above-mentioned propaganda news reports that the question of direct negotiations is again raising its head in certain quarters.

The League of Nations Society in Tokyo denounced the maintenance of Japanese troops in Shantung on April 26, 1921. The next month the Tokyo government planned to hold a conference to deal with Asiatic problems, and Torkichi Obata, Japanese minister at Peking, urged a settlement of the Shantung fiasco through a plan approved by the powers for internationalizing Tsingtao. May 22 there was a report that Japan was to restore Shantung and that private negotiations were under way as to troop withdrawal from the railroad area. The Chinese foreign minister June 12 said that Japan must state her restoration terms publicly. June 29 there was another rumor that Obata would request China to bargain.

In July Viscount Korekiyo Takahashi in the House of Peers called for withdrawal of troops from Tsingtao. All was not unanimous approval at home of the conduct of affairs. Likewise Count Tsunetaro Kato, High Commissioner of Siberia, wanted Japanese forces brought home from Siberia. The Tokyo cabinet wished Shantung kept from the Washington conference at all costs, and America was equally firm about settling the issue...

While China was refusing to negotiate openly, she was secretly seeking an

agreement from Japan. A special emissary quietly came from China to Tokyo to present the Chinese terms for the restoration. Note in the following cable that the most Japan promises is a partial evacuation.

(space)
Tokyo-Washington, No. 314. July 26, 1921.

(Note. This is the first translation from JP code. Many elements in the text are still unidentified, and the translation can be relied on only in the most general way.)

Referring to your cablegram No. 416, from our cablegram No. 936 to the ambassador at London (Note: Not received) you are aware at least that there are elements within the Chinese government which wish to settle the Shantung question by direct negotiations between China and Japan, and which are secretly working to have proposals made.

1. Since that time, a secret emissary has called on and requested informal information of the real desires of Japan. At the same time he had the mission of asking for assistance to

We are anxious to hasten the solution of the Shantung question, and it was considered that if this impression had not been given abroad, it would be worth while to accede to the Chinese proposal if it were merely to show our fair and liberal attitude in the question. After careful consideration it was decided to adopt the principle of turning the protection of the Shantung Railway over to a Chinese police organization and of withdrawing our troops.

2. Our attitude was explained as follows: The Japanese government wishes to withdraw its troops from the Shantung railway and under satisfactory conditions will not hesitate to do so, but it is impossible to leave the railway in an unguarded condition. Some means must be devised and, to encourage the organization of a Chinese police force, if the Chinese

government will organize such a force in a way not to arouse an opposition movement within the country, the Japanese government will proceed with a partial evacuation.

3. The secret emissary has since reported that the discussion of this matter is proceeding smoothly among the Chinese authorities, and that they may actually decide in the near future to organize the police force.

4. Since the recent American invitation to the Pacific conference, there is much talk of bringing the Shantung question before the conference. It is hard to say whether this is entirely without basis in fact, but instructions have been sent the minister at Tokyo to ascertain secretly the real ideas of the Chinese.

5. Please keep the foregoing facts about the secret emissary from China absolutely secret for the present.

Marquis Shigenobu Okuma, ex-premier, came out against the inclusion of Shantung on the Washington agenda and resolutely opposed the reconsideration of the Versailles decision in August and Yen announced publicly that China was unyieldingly set on no direct negotiation, but privately ^{Yen} sought an overture from Japan.

There is nothing to lead one to believe that Obata should report his interview with the Chinese foreign minister other than honestly and accurately to his home government. This was a private document sent for straightforward information and not written for the public eye for effect. With this in mind one cannot but wonder at the conduct, the seeming duplicity, of a Chinese official who would announce privately that "there was no necessity of submitting to all the powers questions pending solely between China and Japan, and it would be proper for these questions

by all means to be solved by China and Japan alone," and six days later reiterate that direct negotiation with Japan was impossible! True in the same interview he stated that because of popular opinion it was advisable to avoid direct negotiation, yet there was admittedly no authority behind the "private channels". Such an agreement could easily be repudiated if it did not find favor with the voters. Is it any wonder that the Japanese had one mode of diplomacy for the West and another for the East! Is it any wonder that they were inclined to follow the example of the western nations and have their diplomatic officials accompanied by bayonets when agreements were to be signed? It seems very much to me that Yen was trying to see just what he could get out of this settlement for W. W. Yen. In the last paragraph Obata shrewdly sums up the situation. QEA is undoubtedly Obata.

(space)
Peking-Tokyo, No. 562. August 12, 1921.

Tokyo-Washington, No. 361. August 15, 1921.

(Note. First line of message opens with an unidentified three-letter code group such as are used for reproducing Chinese ideographs in names, etc., and is garbled.)

QEA [Obata].. greetings on return to post ... interview with Chinese minister of foreign affairs which is summarized as follows.

1. With regard to the Pacific conference. . . .

(b) I asked whether the Chinese government intended to make any special proposals. Yen said that this had not been decided on, but of course the problems of the Pacific involved questions of principle of vital importance to China itself and these might perhaps be brought up. Of course, however, there

was no necessity of submitting to all the powers questions pending solely be-
tween China and Japan, and it would be proper for these questions by all means
to be solved by China and Japan alone. He ⁱⁿquired ~~what~~ about the question
of the abolition of the spheres of influence of all the powers.

I replied that the abolition of geographical spheres of influence would
be incomplete, if one country had a preferred position of influence in the
customs administration, and another country was being given control over the
salt monopoly, as rumored. This also constituted a sphere of influence. If
it were intended to abolish all these also, and if this were carried through,
we would welcome the abolition of spheres of influence.

I called attention to the extreme necessity of avoiding duplicating
the history of the Versailles conference with regard to special questions
between China and Japan. Yen nodded assent to this.

2. I said that the Shantung question was apparently a single great
question, but really it reduced itself to merely three important questions,
of railways, mines and the disposition of leased territory. Japan had many
times declared her position and had repeatedly invited negotiations. If the
Chinese were only willing to negotiate, a solution would be easy.

Yen said that the Chinese were awaiting a fair and just proposition
from Japan on the Shantung question, but it was desired to avoid direct ne-
gotiations. It would be proper to conduct conversations through "private
channels". China was eagerly expecting a proposal of this sort from Japan.

I said that men of light and learning in the Japanese government and
the people wished to settle questions such as that of Shantung between China
and Japan without the loss of a day, but even assuming that Japan made a
proposal which was considered fair and liberal, judging by the past acts
and present condition of China, the attempt might fail by reason of the in-
cessant agitation among the people of China. The Japanese government and
the majority of the Japanese people felt ^much anxiety about proceeding with
negotiations for fear that the central government through its weakness would

be swayed by the talk of the people.

Yen said that if the Japanese proposal were really fair and liberal, the majority of the Chinese government and people would not oppose it, and, in case some people opposed it, there were means of suppressing them, and irresponsible activities would not be allowed to pass unchecked. Japan already had a strong economic foundation in/regions and he was sure that, if Japan announced an unconditional restitution, it would do away with bad feeling between Japan and China and be extraordinarily advantageous. [Ed. Note. Possibly, South Manchuria]

I asked whether the central government was not at the present time hesitating to organize a Shantung Railway police force because of voices of opposition.

Yen said that there was inevitably more or less opposition to this, but he intended to pay no attention to this opposition but to carry out the plan resolutely. In fact he had recently told ministers of various countries, who from time to time inquired about the solution of the Shantung question, that, if Japan came with a fair and reasonable proposal, he thought China would consider and act upon it.

From my impression of this conversation, I believe that the Chinese government seriously wishes for a solution of the Shantung question, if Japan will make a proposal so fair and just that it will not encounter strong opposition among the government and people. Their position is that they will first get Japan to make a proposal and will ascertain its contents. If the proposal is not extremely unfair, they will demand some concessions from Japan and settle the question. Otherwise, they will use the popular opposition as a pretext, raise a cry for unconditional restitution, and make it a question for the Pacific conference, etc. It may be supposed that their secret design is to avoid the danger of a refusal to discuss the question on the ground of its being a matter sealed by the Versailles treaty and a question to be settled between China and Japan, and to make a settlement on a reasonable basis.

Following this Tokyo ordered Obata to submit a proposal for opening negotiations based on China's terms. For an adequate translation of these proposals see No. 580 and No. 417, the first being Shidehara's translation for Hughes; the second, Tokyo's corrections.

Tokyo-Peking, No. 433. September 7, 1921.

Tokyo-Washington, No. 405. September 3, 1921.

~~Washington-Tokyo, No. 417, September 7, 1921.~~

~~Tokyo-Washington, No. 417, September 10, 1921.~~

~~_____.~~

(Note. Text has some garbling and many uncertain groups of the new JP code.)

Cablegram No. 435 will inform you of the conversations between Ambassador Shidehara and the American secretary of state since our cablegram No. 374 .

The American secretary of state has taken the attitude of favoring a quick settlement of this question. We consider that there is of course no reason for us to refuse this, but rather that we should use the opportunity for a quick satisfactory solution of the question. If the government proposes a solution to China as an accompaniment to the progress of the direct negotiations, we will cause China to request American intercession for every item It must be said that the fundamental spirit of our claims is the exclusion from the coming conference of this question as an accomplished fact and a matter of sole concern to particular powers. We could therefore not readily consent to this. At the same time the desire

for a quick satisfactory settlement of this question has been our fundamental policy for years.

In connection with the Washington conference in order as far as possible to restrict material for defamation and criticism of us, it is the settled policy of the Japanese government so far as circumstances permit to reach the promptest possible settlements of harmful pending questions. After thorough consideration it has been decided to propose a settlement to China, to display our just and liberal policy, and to submit it to the sincere consideration of the Chinese government.

You will embody in a memorandum the fundamental principles and proposed measures contained in the accompanying cablegram No. 434, and will hand this memorandum to the Chinese minister of foreign affairs. As consideration was also given to the plan informally presented by the Chinese some time ago, we have no objection to our proposals being considered a counter proposal to the Chinese proposal, but you will indicate that the stipulations are our utmost concession.

In regard to the settlement of the Shantung question, there was already an understanding among the powers which was reached at the Paris peace conference through an unreserved discussion. The Japanese government wishes to respect and carry out this understanding, and, in view of the friendship between Japan and China, has also carefully examined and considered the aspirations of China and has devised a fair and liberal plan of settlement. In fact at the present time we do not have the attitude of [Ed. Note. Possibly, hindering] the Chinese aspirations Feeling that we are already informed in the main of the views of the Chinese, we have decided to take the initiative of proposing a solution of the question. You will propose that the Chinese government after giving sincere thought to the matter shall express a willingness to negotiate on the basis of this proposal for a settlement and shall name a commission to negotiate the details. You will report the result.

(opposed)

1. The leasehold of Kiaochow and the rights originally granted to Germany with regard to the fifty kilometre zone around the Kiaochow Bay shall be restored to China.

2. The Japanese government will abandon plans for the establishment of a Japanese exclusive settlement or of an international settlement in Tsingtao: provided that China engages to open (as a port of trade) the entire leased territory of Kiaochow and to permit the nationals of all foreign countries freely to reside and to carry on commerce, industry, agriculture or any other lawful pursuits within said territory, and that she further undertakes to respect the vested rights of all foreigners.

China shall likewise carry out forthwith the opening of suitable cities and towns within the Province of Shangtung for residence and trade of the nationals of all foregoing [Ed. Note. Possibly, countries.

Regulations for the opening of places under the foregoing clauses] shall be determined by the Chinese government upon consultation with the powers interested.

3. The Kiaochow-Tsinanfu railway and all mines appurtenant thereto shall be worked as a joint Sino-Japanese enterprise.

4. Japan will renounce all preferential rights with regard to foreign assistance in persons, capital and material, stipulated in the Sino-German treaty of March 6, 1898.

5. Rights relating to the extensions of the Kiaochow-Tsinanfu railway, well as as/options for the constructions of the Yentai-Weihsien railway will be thrown open for the common activity of the international financial consortium in China.

6. The status of the customs house at Tsingtao as forming an integral part of the general customs system of China shall be made clearer than under the German regime.

7. Public property formerly possessed by Germany and used for administrative purposes within the leased territory of Kiaochow^{ow} will, in general, be transferred to China; It being understood that the maintenance and operation of public works and establishments shall be previously arranged between the Japanese and Chinese governments.

8. With a view to arranging detailed plans for carrying into effect the terms of settlement above indicated, the Japanese and Chinese governments shall appoint their respective commissioners as soon as possible.

The Japanese government have on more than one occasion declared willingness to proceed to the recall of Japanese troops now stationed along the Kiaochow^{ow}-Tsinanfu railway upon organization by China of a police force to assume protection of the railway. As soon as the Chinese government shall have organized such a police force and notified the Japanese government to that effect, Japanese troops will be ordered to hand over to the Chinese police the charge of the railway protection, and thereupon immediately to withdraw.

It is obviously in the interest of both parties to the joint railway undertaking to insure and to promote the efficiency of the Chinese police force guarding the railway. Arrangements to be made with that end in view may, however, be reserved for separate and subsequent consideration.

(space)

Tokyo-Washington, No. 417, September 10, 1921.

Urgent. ~~Confidential~~.

We have no objection in principle to your translation of our proposals ~~[to Japan]~~ ^[to China] to Japan[^] in your cablegram No. 580, but there are places in which its wording goes beyond a literal translation. When it is published, it would be undesirable to have too great discrepancies from the original text, so it is desired that the following changes be made when it is published. If you have already presented your draft to the American government, we leave to your discretion whether you shall communicate these changes to them, and,

in case you should do so, in what manner to do it.

1. In paragraph two in order to make clear that China of itself will open Kiaochow^{ow} as a port of trade change the reading "provided that

[Ed. Note: Possibly, China engages to open as a port of trade the entire leased territory of] Kiaochow^{ow} to "China engages to open of its own accord the entire leased territory of Kiaochow^{ow} as a port of trade".

2. In paragraph seven not only do we have the public and administrative buildings which we inherited from the Germans but others bought by the army of occupation after the capture of the city. It is intended in principle to cede these also, and the point of whether we took them over from Germany is not specified, so the words "formerly possessed by Germany" should be omitted.

3. The future negotiations mentioned in paragraph 8, ^{not only} will deal ~~not~~ [^] ~~only~~ with details of execution, but also it is intended to leave such other matters as the disposition of submarine cables to future negotiations and the words "other matters" were expressly inserted for this reason. In your draft after the words "the terms of settlement above indicated" you will insert "and for the purpose of adjusting other matters not embodied therein".

4. (Note. From here on the text is considerably garbled and the connection obscure.) In regard to paragraph nine, this is a matter which has hitherto caused feeling in the United States, but not only have we already laid down to China the organization of a special police force as a condition, but it is too much at variance with the wording of the notes which we have already presented to China. (Note. There is some mention of conference, understanding and the necessity of having it clearly understood that there must be a special agreement.) For the wording "it is obviously in the interest of both parties" etc., you will substitute "It is, however, to be understood that the question of the organization of a special police guarding the Shantung railway shall be reserved for future consider-

ation between Japan and China".

(Note. In connection with the above it may be noted that the version of the Japanese terms cabled by the Associated Press from Peking September 12 seems to be a fairly close rendition of the actual wording as checked by a late correct copy of J-4876.)

Obata had some questions concerning the terms before presentation and asked for further instructions. On the seventh Tokyo explained and enlarged upon their previous idea. These terms were to be merely a vague, general feeler, bait for the Chinese⁹ and, if the latter bit, details were to be settled by special commissioners. A brief indication of some of the problems which arose later appears in the paragraphs solely for Obata's information. *(Fut to follow cable)* Chefoo is a town on the north coast of Shantung, on Lung-men harbor, near the British concession Weihaiwei. Sasebo is a town and port on the west coast of Kyushu, one of the four main islands of Japan.)

(space)
Tokyo-Peking, No. 447. September 7, 1921.

Tokyo-Washington, No. 414. September 8, 1921.

Referring to your cablegram No. 608, it need not be said that the proposals in our cablegram No. 434 are no more than an outline indicating our extreme limit of concession in regard to the principal questions and have no other purpose than a thorough test of the willingness of the Chinese government to enter upon negotiations on this basis. It follows that the proposals do not comprise an orderly plan for the disposal of all German rights and interests in the province of Shantung and everything which has to be studied in connection with this question, nor were the proposals devised with the

to the Chinese plan for the disposal
purpose of at this time proposing of everything. It was expected to leave these minor questions to discussion between representatives of the two countries, ~~but~~ first to open the way for initiating direct negotiations through these outline^d proposals. The Chinese foreign minister will raise various sorts of questions, but it is felt that an answer going at this time into preliminary details would only react to prolong the situation.

You will therefore reply in proper form that a fair and liberal agreement will be made to submit to joint discussion by representatives of both countries the details regarding the execution of our proposals and other questions outside of those enumerated, and that at present the Japanese government hopes that the Chinese government will appreciate our fair and liberal good faith, will announce its intention of opening negotiations and at the same time will take up the formalities of the opening of negotiations.

As has been said, the Japanese government does not yet have fixed plans about all the provisions which you question. It is desired first to understand what the Chinese wish and then to study the matters thoroughly, but solely for your information I state the following views which are held here at present.

¶. The meaning of paragraph 6 of the proposals is that we will not insist on all kinds of privileges at the Tsingtao custom house which existed in the German regime, but ^{with} ~~with~~ to have it made substantially a part of the general customs administration. It is considered proper however that special attention should naturally be paid to the position of Japan which pays much the largest part of the import and export collections at Tsingtao. These points will be left to discussion by representatives of the two countries.

¶. With regard to submarine cables, the 'Tsingtao-Chefoo' and the 'Tsingtao-Shanghai' have already once been entirely in our hands, and of course, in case the disposition of this question should necessarily be settled together with the disposition of the Sasebo-Tsingtao cable, it will be the best policy to raise the question of exchanging ^[something] for the Sasebo-Tsingtao cable. It is

therefore intended to include this under ~~Paragraph~~ ⑧ of the proposals and to leave it for future agreement.

stet.

In regard to the disposition of the salt fields, it will be necessary to include them under paragraph ② of the proposals and at least to have them respected as acquired rights of foreigners, but as the relations of this matter with the salt monopoly system must also be considered, it is one of the principal questions requiring separate agreements.

The disposition of the wharves comes under the proviso of ~~Paragraph~~ ⑦ of the proposals, but one plan would be to hand over the wharves with the piers, warehouses, etc. to the Shantung railway as a branch of its business and to make them the property of the railway. It will be the best policy to leave this also to discussion by representatives of the two powers.

stet

(space)

(possible Chapter, Reat.)

Obata on September 7 presented the new terms to Yen who promised to give them to the council of state for full consideration. This would take from two to four weeks. He requested that the terms be kept absolutely secret, that no other countries be informed of them. Yet the very next day the Chinese themselves let much of it be known through Reuter's news agency. Premier Chin Yun-peng led General Banzai to believe that the council of state had decided to settle the Shantung question with the aid of the ministers of justice, Tung-Kang, the army, Tsai Cheng-hsun, the navy, Li Ting-hsin, and others. Yet after this private decision, matters were in such a condition that they could not do otherwise than announce publicly that they decided not to accept the proposals.

(space)

Peking-Tokyo, No. 619. September 8, 1921.

Tokyo-Washington, No. 411. September 8, 1921.

~~Peking-Tokyo, No. 316 September 9, 1931~~

~~Tokyo-Washington, No. 416 September 10, 1931~~

Urgent.

Referring to your cablegram No.433, at an interview with the Chinese minister of foreign affairs on September 7, I read him a memorandum embodying your cablegram No. 434, and handed him the memorandum with proper comment in accordance with your instructions.

The minister said that in view of the importance of the matter he could hardly give even a personal opinion until it had been thoroughly studied. He would immediately present the memorandum the next day, the eighth, to the council of state which would study it. When I inquired whether an answer could be secured from the council of state on the eighth, the minister replied that it would take from two to four weeks.

I said that my government hoped to receive as prompt an answer as possible from his government, and I hoped that they would give the matter urgent consideration and reply immediately.

(Note. The text becomes very garbled from here. Apparently there was a phrase in the Japanese memorandum about its being a reply to a Chinese communication which the Chinese foreign minister said would be very embarrassing to the Chinese if it was communicated to foreign countries or was published. He did not know whether it would be desirable to make some statement of the position of China. He thought that the publication of the wording of the demands would place the present cabinet in a very undesirable position at home and abroad.)

I said that I had received no instructions as to whether the correspondence was to be communicated to foreign countries or to be published, and did not know, but I would immediately cable my government.

The minister asked whether the memorandum which he had been handed was not to be kept secret, and I said that I had received instructions

^I
that should negotiate in secret.

Peking-Tokyo, No. 816 September 9, 1921.

Tokyo-Washington, No. 416. September 10, 1921

According to what Banzai was told on September 9 by Premier Chin Yun-peng of the discussion of our proposal by the Chinese council of state on that day, it appears that the council considered it proper first to decide the preliminary question of whether or not to cause a solution of the Shantung question and as a result it was decided to attempt a solution and after further consideration by the foreign department to be guided by the views of the ministers of justice, the army, the navy, etc. It was said that the foregoing was not very clear, but putting together everything that was said Banzai thought that the above decision was reached.

He thinks that even if the foreign department authorities think that our proposals are entirely worth while as a basis for negotiations, in view of its previous attitude of absolute opposition to direct negotiations, it will still be hard for the Chinese government to accept them and open negotiations, and it will still have no recourse but to proceed with conversations on the base of informal secret negotiations.

How far the foregoing represents the ideas of the foreign department is not clear. Reuter's of Peking reports from a source which is not clear that it is supposed that the council of state decided not to accept our proposals. I shall cable later the discussion in the English-language press.

(Note. Text, which is garbled throughout, here becomes obscure. A newspaper is evidently quoted as saying that the cabinet might easily fall.)

In his conversation with me on the seventh Foreign Minister Yen asked whether it would not be necessary to keep the conditions secret, and ^[said] that it would take three or four weeks for an answer. I suppose that they may

have given out our proposals in order to test public opinion before they decide to accept or reject them.

September 12 China released the full text of Japan's terms with the comment that the award of Shantung to Japan was illegal and that the whole question should be brought up at the Washington conference. This was followed by a rumor that Hughes would offer the good offices of the United States if necessary. Then the Chinese began picking flaws in the terms, characterising as jokers the offer of joint control which they asserted would become perpetual and deny them their right to redeem the whole road, the idea of Japanese in the post^offices and in possession of the salt fields, since this was a state monopoly in China.

In self-defence Japan published her version of the terms on the fifteenth in Peking and Tokyo and the next day in America. Tokyo authorities were just as determined that the whole question was outside the sphere of the conference.

China had not yet reported on Japan's offer officially; therefore Obata called on Yen and took him sharply to task about it. The account of this visit is as good a document as any to portray the difference in Japan's manner of diplomacy between the East and the West. Always when dealing with the latter the Nipponese are polite, suave, cordial, gentle and reserved in manner even when unyielding or unable to agree, but note the arrogant, impatient, domineering, irritating, antagonising air with which Obata deals with Yen.

There is all the friction of blood brothers between them. Obata is condescending. He cannot understand apparently why Yen does not snap up the "fair offer" and be thankful for small favors. Yet if it were England's prime minister resigning, he would be happy to wait and think little of it. All the uncertainty, the lack of self-assurance or self-trust of the Chinese is revealed in Yen's attitude, as well as the turbulent fickleness of the Chinese masses. Obata would railroad through his proposal, Yen would consult everyone so that there would be no reproach and all could be heard. Both are new in the ways of western diplomacy.

(over)
Peking-Tokyo, No. 645. September 25, 1921.

Tokyo-Washington, No. 452. September 26, 1921.

I finally secured an interview with the Chinese foreign minister on September 23. I told him that I extremely regretted the fact that, although more than two weeks had already elapsed since I delivered him our Shantung proposal, not only had I not yet received any answer from his government, but I had even been unable to secure any knowledge of his views. I had also recently received instructions from the Japanese government. I therefore repeated my suggestion that he should act promptly to hasten the opening of conversations on the basis of the Japanese proposal.

The foreign minister replied that this was a question of great importance to China and therefore required thorough consideration. It was necessary to collect not only the views of government circles but also of leaders who were not in office. The Japanese proposal had been presented on September 7 but had not been published until September 14, and it was scarcely ten days that their substance had been generally known. The question of the resignation of

the premier had also just arisen, and the premier had absented himself since the beginning of last week and had not even attended the state council. It was quite impossible for the council to decide so important a question as this in the absence of the prime minister. He asked me to take into consideration these circumstances which impeded progress in replying.

I answered that in the first place at the time of my interview with him this spring before my visit to Japan, the Foreign minister had repeatedly suggested that the Japanese government should propose terms of settlement which should be recognized by the world as fair and equitable. Immediately after my return to Japan I had communicated these aspirations of the Chinese government to the government authorities, to influential citizens and leaders, and in more than ten public and private meetings with all press and business circles. I had emphasized the advisability of our proposing terms of settlement based on fair and equitable views. Although I would not say that the recent Japanese proposal was based on my representations, there was at least no doubt that my views had at least helped to cause the proposal.

In other words, the proposal was fair and just. The Japanese government had perfectly respected the wishes of the Chinese government, and, having in mind the wishes which the Chinese foreign minister had expressed to me, had proposed terms which it considered fair and just. That the proposal was fair and just was clear from the fact that public opinion everywhere, in Great Britain, France, America, etc., generally recognized it to be so. Not only was the proposal approved by the general public opinion of the whole world, but, except for trifling points of detail, it fundamentally accepted the basic views of the Chinese government as secretly conveyed during last May. I was sure that it was not impossible to say that the views of the two governments were practically in agreement.

Considered therefore from any point of view, it must be said that there is no reason why the Chinese government should not consider this to be a fair and just proposal. In spite, however, of the fact that it is fair and just and in

accordance with the aspirations of the Chinese government, your government has not expressed the purpose of opening negotiations, but by hesitating and vacillating is harmfully strengthening the baseless popular views that China will perhaps reject our proposal as it stands, or draft and deliver a counter proposal to the various clauses, or let the proposal rest and bring up the question at the Washington conference. The Chinese government has taken no action to guide or develop this, but is taking the attitude of heaping delay on delay without any regard. I repeated most sharply that I was disappointed and much surprised by this, and urged him to decide.

We then exchanged two or three questions and answers about foreign public opinion and the fairness of the proposal. Finally the foreign minister said that he had decided to call together all the leaders of the opposition parties and other leaders in Peking and vicinity, explain to them in detail the history of this question, conditions at home and abroad, etc., consult their judgments, draft a proposal, lay it before the cabinet and discuss it with me. He added that he felt great difficulty in deciding the policy of the government under the circumstances of the absence of Premier Chin, but he thought that he would attend the session of the state council on the next day, the twenty-fourth, where he would carefully narrate our conversation of today, and after discussing it would try his best to reach an answer.

I said that to convene the leaders of the opposition party would merely heap delay on delay, and would merely make a rival to the government as representing the Chinese nation. Under the above circumstances, if further delay was heaped on delay and there was no decision, I was sure that it would naturally become necessary to take proper steps to explain the situation to the people and to the world. I hoped that a serious effort would be made to hasten the decision.

The first of the month there was another rumor that the Peking cabinet had decided

to reject Tokyo's plea for a parley by refuting each of the nine points. On October 5 Obata was summoned to Yen where he received the Chinese reply in the form of a counter-proposal which he characterized as a complete rejection at first glance. Again he was high-handed and sharp and again Yen was gentle and conciliatory, almost humble.

The folly of dealing with secret emissaries is well brought out here, for if it was true that Yo San Ji presented the wishes of the Chinese government in May and that the Japanese offer was based on his proposal, Obata was right in being infuriated by Yen's tantalizing denial of the authenticity of Yo San Ji's mission. Either Yo San Ji had duped the Japanese or Yen was trying to. Evidently the public policy had changed and Yen was going with the crowd. Yet even now, notice, the joint capitalization of the Shantung railway is recognized. No wonder that Yen was conciliatory.

(epoc)
Peking-Tokyo, No. 665. October ?, 1921.

Tokyo-Washington, No. 494. October 8, 1921.

On October 5 I called by request on the Chinese foreign office. The foreign minister said that in view of the importance of the proposal of a settlement of the Shantung question which I had presented, the government had studied it with care and pains and had also gathered and compared the views of leading men outside the government. A decision on a reply had been reached after anxious thought in view of the present condition of China. In presenting this reply, he hoped that I would sympathize with its spirit, and in reading each word of the memorandum would understand the anxious care of the government. He then handed me the memorandum, saying that by way of precaution he had had the main points of the memorandum translated into English.

I said that I had not carefully read the memorandum, ~~but from the~~ English translation which I had just looked over, there were such great discrepancies from our proposal that it could practically be considered a rejection. Before my return to Japan in May, the Chinese foreign minister had wished the presentation of a fair and equitable concrete proposal which all countries would recognize as just. The Japanese government, therefore, after much consideration had presented terms which it was confident were fair and equitable, and which all the countries of Europe and America generally considered just. Furthermore our proposal was substantially the same as the secret proposal which Yo San Ji had brought from China. In spite of this the reply must be considered to be practically a refusal, and I could not transmit it to my government. I therefore desired to trouble the Chinese government to reconsider.

The foreign minister said that this would make the solution of the question more and more difficult. The main points had just been translated into English. The reply by no means had the meaning of a rejection of the Japanese proposal, but substantially when it was read thoroughly and in detail it was after all similar to the Japanese proposal. He wished me ^{by} all means to read it carefully. As I was aware, public opinion in China was inclined to refuse to negotiate and there were various arguments against it, but the government had merely consulted this public opinion for purposes of comparison. He pleaded that he wished me to understand with what anxious care the government had decided on its answer.

I said that there was provision for joint administration of the Shantung Railway and the mines appurtenant to it in the proposal brought by Yo San Ji, and asked whether the answer did not recognize this.

The foreign minister replied that he did not know what that proposal was, nor to whom it was made. This must be an entirely distinct matter.

I said: "Before Yo San Ji went to Japan, you called him in, and gave him your country's proposal, and told him to secure an understanding with Japan on it. Is this not so? Furthermore, after I came back to my post I had an interview with Premier Chin in which the latter referred to this matter and

said that the proposal had been drawn up in the Foreign Office research society."

The foreign minister said that this probably must be the Eight Articles which had recently been published in the newspapers. It was a fact that these Eight Articles had been drafted by the research society for the sake of internal preparation in China. In the present reply the joint capitalization of the Shantung Railway, etc., is recognized. As China has not yet recognized the International Loan Consortium, the phrase "international financial bodies" was used. With regard to various other points, he wished a sympathetic understanding of the fact that the Chinese replies were necessary for reasons of theory or of various agreements. He repeated that in any case he hoped that we would read the answer carefully.

I made no statement about transmitting the reply to my government, but said that in any event I would consider the matter maturely. I took the answer and withdrew. I am cabling the answer separately.

China's reply was as out-spoken as Obata in dealing with Yen. The Foreign office asserted that the bases for negotiation were either highly objectionable or unrecognized and fundamentally unacceptable in spite of many "hollow" declarations. Furthermore, they fell short in proving Japan's sincerity to settle the question. China claimed that the Kiaochow lease expired when she declared war on Germany; that she intended opening the port for international trade, so that special settlements would be unnecessary and, of course, she would respect legitimate vested rights of foreigners; but that she would use her own discretion as to what inland towns to open for foreign commerce.

The joint operation of a railroad she considered inefficient, but she was willing

to pay Japan one-half the value of the enterprise over a designated period. She preferred to build her extensions through international financial bodies and would put the Tsingtao customs on the same basis as her other customs houses. She demanded complete and unconditional return of all public properties and the immediate evacuation of foreign troops, promising to send adequate police protection for the railway. And, finally, she reserved the right to settle it as and when she saw fit. This, we will see later, was, generally speaking, the basis for the settlement in Washington.

China was commonly thought averse to negotiations, for her terms were publicly backed by the strong Chinese Bankers' Association. Japan thought of asking Harding to mediate, but decided to ignore the Chinese answer and to ask the cabinet to reconsider, relying on the Versailles treaty and wide publication of the documents and intimate history concerning the tangle. Calling the phrases discourteous was really a mild retort. Tokyo ordered Obata to present an aggrieved note reviewing the attempts to settle the terms. The second cable below is a free but on the whole adequate and accurate translation of the Japanese reply as given in the Japan Year Book 1921-1922.

(space)

Tokyo-Peking, No. 510. October 15, 1921.

Tokyo-Washington, No. 519. October 16, 1921.

~~Tokyo-Peking, No. 511. October 15, 1921.~~

~~Tokyo-Washington, No. 520. October 16, 1921.~~

Referring to your cablegram No. 665, the cabinet has recently decided on the answer given in cablegram No. 511, to the memorandum of the Chinese government. You will immediately hand this memorandum to the Chinese foreign minister in writing. We also state the following for your information. There is no objection to your using your discretion in making a proper selection of explanatory material from it. You will add that the Japanese government will later publish this answer.

1. According to your cablegram, Foreign Minister Yen said that the Chinese reply did not have the meaning of a rejection of the Japanese proposal. Their memorandum, however, has at the beginning the phrases "the reason China has not until now been able to commence negotiations with Japan is because etc., etc.", and "these proposals surely inadequately prove the sincerity of Japan's desires to settle the question". When these two passages are read together with the last sentence about reserving freedom, the only possible interpretation is that of a clear statement that, at least for the present, the Chinese government does not intend to accept our proposal and proceed with negotiations. Of course, according to the words of the private secretary quoted in your cablegram No. 669, the Chinese government intends to continue for a while an exchange of notes and gradually to pass from this into direct negotiations, but, in view of the ordinary methods of procedure of the Chinese, not only is it doubtful whether this is really their sincere purpose, but even in case such is their intention, there is no prospect at present of making progress with negotiations in the wording of their memorandum.

2. Nevertheless it is hardly to be expected that the attitude of America and the other powers will be favorable to Japan on this question, and it is important to make Japan's position on this question as advantageous as possible. At the same time it is politic to leave room for future negotiations with the Chinese government. It is therefore desirable to avoid giving the impression of breaking off negotiations, regardless of the fact that there are discourtesies in the manner and wording of the Chinese reply and that some

of its arguments are not admirable. For these reasons we make the reply given in the accompanying cablegram.

It is desired to publish our reply the day after it is handed to the Chinese foreign minister, and you will therefore report in advance as soon as the date of your interview is fixed.

Tokyo-Peking No. 511⁰ October 15, 1921.

Tokyo-Washington, No. 520. October 16, 1921⁰

The Japanese government received on October 5 the memorandum of the Chinese government concerning the question of the Shangtung negotiations and has given careful consideration to the matter. It has been for years the desire of the Japanese government to bring about a speedy settlement of the Shangtung question and no efforts have been spared to that end. Already, in January of last year, the Japanese government advocated an immediate opening of negotiations with the Chinese government on the subject (of whether the peace treaty with Germany should be held as valid in this connection) [Ed. Note. Possibly, or directly the treaty of peace with Germany came into effect.]⁰ The Chinese government, however, did not reply until several months had passed, when, giving as a pretext the non-signature of the German peace treaty and the opposition of public opinion, it merely announced that it was not convenient to institute direct negotiations with the Japanese government.

The Japanese government, unmindful of self-interest, then sought the reconsideration of the Chinese government and announced that, if at any time in the future the Chinese government should find it convenient to open negotiations, the Japanese government would discuss the question. For more than a year after this the Japanese government anxiously waited for the Chinese government and people to awake to a fair and just understanding of the situation and patiently and tactfully waited for the coming of a favorable opportunity to resume negotiations.

In the meantime a change had taken place in the attitude of the Chinese

authorities and upon the occasion of a dinner, the desire was expressed to reopen the discussion of this matter with the Japanese government. Especially in May of this year, before ^{Obata returned to Tokyo, Minister} Yen expressed to him his earnest hope that concrete proposals would be brought forward which would be acknowledged as just by all countries. Then the Chinese government authorities privately informed the Japanese government of what would be a settlement of the question according to the Chinese viewpoint and informally expressed a willingness to continue negotiations with the Japanese government. Accordingly, the Japanese government confidently expected an expeditious and amicable settlement. Taking into consideration the above proposals of the Chinese, it drew up impartial and liberal terms of settlement, presented them on September 7 to the Chinese government and requested that serious consideration be given them.

The Chinese government, however, contrary to the expectation of the Japanese government, did not consider that the terms of settlement offered by the Japanese government in this memorandum were such as to demonstrate the sincerity of the latter's desire to find a solution of the problem. The Japanese government cannot but be surprised at the evident lack of desire of the Chinese government to further the negotiations. Not only that but the wording used, to the effect that the declarations made by Japan regarding this matter (in the memorandum) are couched in vague terms, is not in accordance with international courtesy, which is a great source of regret to the Japanese government. For the sake of the Chinese nation and people, this lack of courtesy must be condoned.

Although the objections to the arguments advanced by the Chinese government against the various clauses of the proposal made by the Japanese government have already been refuted in a concrete way, among them there are several that ^{must especially urge the Chinese government} the Japanese government to reconsider. For instance, the argument that the Kiaochow ^{Qu} Bay leasehold lapsed after the declaration of war upon Germany by China and that therefore it should be unconditionally restored

is not only at variance with the theory and practice of international law and with Sino-Japanese treaty relations, but actually gives a perverted interpretation to the treaty of Versailles. On May 20 of this year, in a statement sent by the Chinese representative in Germany to the Chinese minister of foreign affairs, it was made clear that Germany according to the treaty of Versailles had relinquished all the special rights and privileges in Shantung stipulated in the Sino-German treaty and that she therefore was no longer in a position to restore them to China. In accepting this again, the Chinese government as a result of the Versailles treaty, had already acknowledged this.

As to the so-called war with Germany, Kiaochow^{ow} and other matters had already been settled in a treaty concluded with Japan and the transfer of German rights to Japan had been recognized by China two years before China, by advice of the allied powers and after having been given many inducements, finally took decisive action in August, 1917. At that time China did nothing more than dispose of German and Austrian nationals within her own country and send laborers to France. There was no reason for the lapsing of the lease at the time China declared War. On the basis of existing treaties and *events, China is absolutely in error in her ~~time~~ past* basic argument in regard to the negotiations on the Shantung question.

As for the Shantung railroad, in regard to which the Chinese claim that the administration of the whole line should be restored to China and that China will pay to Japan the value of the half not returned, the Japanese government, regardless of questions of form, has no intention of trying to get exclusive ownership of the railroad. At the same time, in view of the present condition of Chinese railroads, Japan can by no means consent to turning the railroad over to Chinese administration. Her real purpose is to establish in name and in fact joint Japanese-Chinese control.

In the first place, the Shantung railroad under the German regime was exclusively owned by Germany. In spite of the fact that Japan with the sacrifice of many men and much wealth took it out of Germany's hands, she proposed to arrange for Japanese-Chinese joint administration upon a very fair basis.

This joint Japanese-Chinese ownership was agreed upon by both the Japanese and Chinese governments long after the declaration of war against Germany by China, namely in September, 1918. It is now said to be an infringement of the sovereign rights of China. This cannot but be very difficult for the Japanese government to understand.

Furthermore, the Reparations Commission must decide the value of the Shantung Railway and mines which must then be made as a loan to Germany to make up the **total** German indemnity. This claim of China to take over unconditionally and automatically its half of the railway must therefore be considered extremely unreasonable.

With regard to the German public properties, the phrase that those properties used for "administrative purposes will in principle be turned over to China" does not mean that all other properties will be retained by Japan. It is intended that Japan and China shall agree in a fair method of disposing of them in which consideration shall be given not only to the interests of Japanese and Chinese but also to those of other nationals. Any pretension on the part of China to take them into her own hands must be called an extreme lack of comprehension.

With regard to the statement that other Japanese proposals are entirely incompatible with the provisions of Chinese treaties with foreign powers, it is hard to understand to what it refers.

Nevertheless we take this occasion to declare that, if the Chinese government on mature reflection and with a thorough understanding of the real intentions of the Japanese government shall reconsider its position in the interests of the relations between the two countries, and shall display a wish to reopen negotiations, the Japanese government will not hesitate to accept the proposal and to open negotiations.

(space)

The gist of the matter was that China wanted to present her case in Washington.

In spite of the apparent diversity of opinion, Americans believed as good possible

desirable. They wished the case settled at all costs, but preferably before the opening of their conference in November. Though the Chinese cabinet refused at present to reopen the question, there was a rumor that it would like to negotiate, but was afraid of public opinion. A Tokyo spokesman announced flatly that the Japanese plan was based on informal talk with China and that his government was willing to meet China's suggestions if she would present them. Apparently China was saying one thing loudly for the benefit of the popular ear at home and another thing under her breath aside to the Japanese legation.

Obata attributed China's hedging and double-speaking to the fact^a that she wished at heart^t to settle the matter, but had to pander to the mob. With so much vacillation and dissimulation it is no wonder the Japanese were impatient with Yen. (Entirely false cable) Koichi Nishida was first interpreter at the Peking legation.) The cable below gives the inside heresay of the "real attitude" of the Chinese government as revealed by the private secretary of Yen, referred to in the previous message but one. Could he have been in the pay of the Japanese or was he just stringing them along?

(apoc)
Tokyo-Washington, No. 505. October ?, 1921.

Washington-London, No. 391. October 16, 1921.

Following is a summary of cablegrams received from Minister Obata since our cablegram No. 494.

The Chinese foreign minister's private secretary told Nishida that the Chinese answer had more points of concession than the proposal of the treaty research section. In fact the various clauses of the answer were drawn

up on the basis of that proposal. There had been various expressions of opposition to the Japanese proposal, because the public opinion of the country was opposed to direct negotiations, and, if any indication were found that the Chinese government was immediately accepting direct negotiations, it was feared that the feeling of opposition would become violent. In order to quiet the opposition agitators, the phrase about "reserving freedom", etc., at the end of the answer was added as evidence that the government was eager to present the matter to the Washington conference. This was a pretence. The government today does not wish to negotiate this question at Washington. This answer was made so that Japan would present a refutation of it. It was secretly hoped by an exchange of this sort of communications gradually to pass to concrete negotiations.

It is thought that the foregoing gives the real intention of the *foreign minister*. *After the publication of the answer of the Chinese* Chinese government, he told the newspapers of his own country that it was the intention of China to refuse direct negotiations and to present the question before the Washington conference, but on the other hand he told Japanese writers in the spirit of the foregoing statement of the private secretary that China hoped through the recent answer gradually to open negotiations. At the same time that he was using both these arguments he was trying to get one or two foreign newspaper correspondents to sound my opinions. This looks at least as if he felt uneasy.

Peking published the Chinese view of wishing to compromise and Yen denied righteously that China had ever advanced terms to Japan. All China was in ferment against direct negotiations, yet Obata reported that China through Yen promised to reconsider. From a cursory glance Yen made three objections to the Japanese reply, to which Obata retorted promptly. Even granted that the treaty of May 25, 1915 was a hideously unfair mistake, the Japanese were right in refusing to permit China to repudiate her

treaty obligations. If she had been permitted to do so, it would have been a bad precedent and would have tended to destroy the sanctity of international obligations.

The only legitimate recourse was to maneuver for cancellation or alleviation.

Theoretically Obata was right in reminding Yen of this fact and of the fact that Japan was in a position, legitimate or otherwise, to be gracious or stringent towards China.

(Japan)

Peking-Tokyo, No. 689. October 1, 1921.

Tokyo-Washington, No. 548. October 24, 1921.

As instructed in your cablegram No. 510, I had an interview with the Chinese foreign minister on October 19. I told him that I had carefully read the reply of his country. It had wide discrepancies from our proposal and was not a little unsatisfactory, but I had at once sent it on to my government. I had just received further instructions. I translated a summary of our cablegram into Chinese, and then handed it to him.

The minister said that he comprehended the main points of our note, but in any case he would reread it carefully, and would then submit it to the state council. From what he gathered now, there were two or three points on which he wished at the moment to express his personal views.

1. The Japanese memorandum has the following passage:

"In particular on the eve of Mr. Obata's departure for Japan May last, the Chinese foreign minister expressed to him his ardent desire to see a concrete project presented by Japan couched in just and reasonable terms, such as would simultaneously be deemed fair by all countries".

There was no discrepancy from fact in this, but it would be a question whether the Japanese proposal was really considered fair and just by all

countries. According to the reports that he had received, the opinion of all countries was not at all unanimously of the opinion that the Japanese proposal was just and reasonable, and it appeared that not a few thought that the Chinese reply was more just and reasonable.

2. In the Chinese reply it was said that the Japanese proposal inadequately proved Japan's sincerity. This did not mean that all the Japanese terms inadequately proved Japan's sincerity, but that some of them did not, and that the proof would be adequate if concessions were received. The word translated "vague" in the Chinese reply was used in the Chinese language to mean "not concrete" and this was the only meaning here. It was an entire misapprehension for Japan to interpret these two passages as a lack of international courtesy. He hoped that this would be thoroughly understood.

3. The declaration by the German representative in China that Germany would by the terms of the Chinese-German treaty freely restore the Kiaochow^{ow} Bay lease, etc., to China, but that Germany regretted that as a result of the European war it was incapable of making restoration to China had no significance as a treaty or under international law. It was an entire misapprehension to say that through this expression of regret by Germany, China had immediately recognized the effects of the Versailles treaty.

I said in regard to point "1" that the Chinese minister's remarks appeared equivalent to saying that all countries regarded the Chinese reply as more just and reasonable than the Japanese proposals. Japan had occupied Shantung as the result of great sacrifices made in the war with Germany, and had contracted various binding engagements by treaty and otherwise. If he had had in mind that he was ignoring these facts, the foreign minister would not have said what he did. People who knew these facts would naturally consider the Japanese terms just and reasonable, and this was clear from the discussion in all countries.

With regard to point No. 2 there might be various excuses, but Japan

could only interpret the words used in the Chinese answer in their literal sense. Whatever explanation might be offered in exculpation to show that these words were not lacking in courtesy, would not be sufficient to satisfy the Japanese government and people. However, it was not my purpose at present to discuss this matter further nor to inquire closely into the meaning of the words.

3. The ~~Minister~~ had seemed to attach importance to the fact that the German representative had expressed regret at the loss of ability to make restoration to China, but he had clearly stated the reason that ability had been lost, namely that the Versailles treaty had caused the loss of this ability. By taking note of this, the Chinese government is naturally considered to have already taken cognizance of the results of the Versailles treaty. To take the meaning of the document as a mere expression of regret at the loss of the ability was no more than an adapted meaning.

China filed her reply to the latest Japan note November 2. The new one was another sharp rebuff in two thousand words dismissing the idea that China had presented a project originally and wanted to open negotiations as probably due to personal talk of Councillor Yu and General Banzai. Peking forthright accused Japan of basing^g her grounds on might over right.

Nothing further was done until the delegates had gathered in Washington and been astounded by the now famous Hughes proposal. Overtures to reopen negotiations were made and it was informally agreed to get together to discuss the matter in a separate conference observed by Hughes and Balfour. Though the Chinese president had assented informally to this arrangement, China refused obdurately to admit

this as direct negotiations, preferring to designate them "conversations", to avoid denunciation at home. Delegates from Shantung arrived demanding immediate settlement and influential Japanese said that Japan would be happy to leave.

Everything was in readiness for the opening session December 1, 1921

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Part V
Shantung.

Chapter 15.

Ingratiating Geisha.

All during the summer and fall of 1921 Japan was trying to enlist the United States to use her influence to persuade China to talk before the Washington conference. Public opinion other than Chinese favored separate negotiations. In fact everyone was eager to settle the matter before taking up other and more important problems.

Shidehara in asking about the agenda of the coming conference in July told Hughes that Shantung and Yap had to be settled directly if the conference was to be a success and asked him to make every effort to help accomplish these ends.

(space)
Washington-Tokyo, No. 416. July 21, 1921

I called on the secretary of state on July 21. I first asked him whether there was any foundation for the newspaper reports that the American government had sent a reply to the Japanese memorandum inquiring about the nature and scope of the Pacific and Far Eastern questions.

The secretary replied that this was not a fact.....

I then said that I wished to explain without reserve my own observations on this question and to call certain points to the attention of the secretary. For the conference to be successful, it was necessary that all the delegates should conduct the discussion in a spirit of mutual friendliness

and confidence in a tranquil and serene atmosphere. I began by explaining that it was desirable for the governments of the countries directly interested to settle before the conference any questions in which there was the least fear of exciting popular feeling.

The secretary interjected that he entirely agreed with me.

I went on to say that if we looked at Japanese-Chinese relations, there was unfortunately one acute and difficult question. This was the Shangtung question. China had demanded of Germany the direct restoration of her leased territory of Kiaochow^{ow} Bay, and had refused to sign the Versailles treaty which provided that Germany should cede to Japan all her interests in the leased territory and the railroad, etc., in the province of Shangtung. On the other hand, Japan had publicly declared the intention of restoring to China the leased territory of Kiaochow^{ow} Bay, and of negotiating a joint arrangement with China in regard to the railway, but the difficult practical question was that it was necessary to reach an agreement between Japan and China before this declaration could be carried out. For example, there were questions such as that of opening a part of the leased territory to Japanese and foreign residence and business, or that of a concrete means of joint administration of the railway. Japan wished to open negotiations with China for the purpose of making agreements of this kind and had repeatedly invited China, but China, relying on the support of America and wishing to alter the Versailles treaty, had refused to negotiate directly with Japan.

It was quite impossible for Japan to consent to a proposal to alter the Versailles treaty in order to deprive Japan of her rights based on that treaty, and Germany, having already legally transferred her rights to Japan, was no longer capable of restoring them to China. By persisting in such unjustifiable and impossible claims, China is promoting the development of an absolutely hopeless situation which not only has an unfavorable effect on the peace of the Far East, but is also regrettable for China itself. Mean-

while, it is a fact which cannot escape the observation of anyone that this attitude of China absolutely depends on American support. If, therefore, at the present time ^{the American government should give China} a friendly warning that a quick settlement of the Shantung questions is advisable, China might decide to enter direct negotiations on the question with Japan. In that case I was convinced that Japan was prepared to offer extremely fair and liberal terms to China, and I hoped to see these negotiations initiated in a short time.

It was also important to have such Japanese-American questions as that of Yap settled before the conference met. If the solution of the Shantung question and the Yap question had already been concluded in advance, the conference will be held in a tranquil and serene atmosphere, and there will be no doubt that a great step towards its success will have been accomplished. Whether this point is reached depends on one thing - the will of the American government.

I explained that the foregoing were my own personal opinions for which I had received not the slightest instructions nor approval from the Japanese government, but I was deeply concerned about Japanese-American relations and was wholly devoted to promoting peace, and had no other plan for managing the situation.

The secretary listened attentively to my remarks with the appearance of being impressed, and replied that the above opinions were valuable and important, and that he would immediately give them favorable consideration. There was one thing that he wished to state clearly, that is, the American government in convening this conference of the powers was of course not actuated by any purpose of ignoring in any way the position of Japan nor of putting Japan in a predicament. He added he himself attached the greatest importance to the existence of a perfect understanding between America and Japan now and in the future, and that he hoped that Japan was perfectly convinced of his sincerity in this. (C)

Shidehara was afraid that Hughes might invite the parleys to be held as regular business and suggested publishing the Shantung settlement terms as soon as possible to forestall unfavorable propaganda. He thought it impolitic to exclude Shantung from the agenda on the grounds of accomplished fact. ^(sent to follow cable) (Thomas Franklin Fairfax Millard was an unofficial adviser of the Chinese at the Washington conference.)

Washington- Tokyo, No. 422. July 23, 1921.

~~Washington-Tokyo, No. 429 July 25, 1921~~

Accompanying the progress of the Pacific conference question, there will be successive invasions of Washington by foreigners conducting a propaganda in the interest of China, and there are indications that plans have already been launched during the last few days while Millard¹ has ^(first) been in Washington.

In view of this, I considered it necessary to point out to the secretary of state the injustice of the Chinese claims in the Shantung question, and at the same time to sound out the attitude of the present American administration towards China. There was no time to wait for instructions from you, and on July 21 I took the step reported in my cablegram No.416. I thought that the views I expressed on that day made considerable impression on the secretary, and the Associated Press reports which were published in the newspapers of the twenty-second said that the secretary of state considered that the exchange of views we had had on the preceding day had been mutually profitable.

I think that the American government intends to take some action to encourage negotiation of the Shantung question between Japan and China. The fact that such action on the part of the American government originated

in a suggestion of mine may possibly leak out on the American side, but I think that at least so far as concerns Japan it must be kept absolutely secret.

If later the American government should advise the Chinese government to open negotiations with Japan on the Shantung question, China must do one of two things, either accept or refuse. Either would be to our advantage.

In case China should accept the advice of America, I suppose it will soon either directly or through the American government ask us to submit terms for the solution of the Shantung question. With regard to these terms I have not yet received from you any intimation of the policy of the Japanese government, and there is no reason for me gratuitously to make any recommendations of my views in matters of detail. Nevertheless, the Shantung question was related with the question of the ratification of the Versailles treaty in the American senate, and it has come indirectly to have the actual status of a sort of pending question between Japan and America. It will therefore be in point of fact extremely difficult to settle it under present conditions by secret negotiations confined to Japan and China alone. If by any chance the Japanese government should demand any privileges of an exclusive character, there is no doubt that China would immediately exaggerate them and use them for hostile propaganda. I therefore think that it is particularly necessary that the Japanese government should turn its attention to the interests of the general situation, and propose terms which will be recognized as fair and generous by the public opinion of the world.

I also keenly hope that if negotiations are finally opened with China, the terms which we propose will immediately be published, and that steps will be taken to forestall the plots of the Chinese propagandists and to avoid the distrust of the world.

I have no fear that the personal opinions which I expressed to the

secretary of state as described in my earlier cablegram will prejudice the position of the Japanese government, but, if they are inconsistent with the policy of the government, please advise me argently.

Washington-Tokyo, No 429, July 25, 1921.

Urgent.

1. Of late there have been in the various European and American countries not a few persons entertaining imaginary fears that there is a ~~distributed~~ ^{to} condition particularly of Japanese-American relations in the Far East and the Pacific. In the first place, I suppose that the British government, judging by the course of the British Imperial conference, came to the plan of holding a Pacific conference of all the interested powers before the renewal of the Anglo-Japanese alliance on account of such imaginary fears. It is plain that the proposal of the American government also arose from the wish to improve this situation in the Pacific and the Far East. . . .

Thus from the standpoint of the Japanese government the Shantung question will be considered a pending question solely concerning China and Japan, but from the American standpoint the cession of the German rights in Shantung is the result of the joint victory of the allies, and not only is America entitled to a voice in their disposition, but the development of the question decidedly affects the peace of the Far East, and therefore it cannot be regarded as a question solely concerning China and Japan. Of course there are provisions of the Versailles treaty regulating this question, but America will take the position that there is no reason why America should be bound by a treaty which she has not ratified.

It follows that, even if we assume the case that an understanding is reached among the powers to exclude from the agenda questions which are of sole concern to particular powers, it is hard to tell whether it would be possible to prevent the Shantung question from becoming a subject of

discussion. If such is the case, I am afraid that the proposal theoretically to exclude from the agenda questions of accomplished facts and questions of sole concern to particular powers may merely lead to various doubts as to its practical application, and the results may be rather disadvantageous and prejudicial to us.

I suppose that among the matters, exclusive of the Shantung question, which the Japanese will not like to become subjects of discussion, the main ones are no more than the evacuation of Siberia and the withdrawal of the so-called twenty-one points of the Chinese-Japanese negotiations of 1915.

With regard to the evacuation of Siberia, it will be the best policy in the interests of Japan itself to carry out at the earliest moment the spirit of our answer to the American government based on your cablegram No. 262. From newspaper reports, I gather that the Japanese government intends at an early date to open negotiations about this with the Chita government. I am not well informed about present conditions in that country, but in general in view of the international standing and credit of the so-called Chita government I suppose there may be no reason to attach importance to the result of negotiations with that government.

Coming to the twenty-one demands, the one among them which has caused trouble is again the Shantung question, and we need not be anxious about the other demands becoming especial subjects of discussion. In the Shantung question, it will be proper to watch closely for a while what action the American government may take as a result of my interview with the secretary of state reported in my cablegram No. 416, and to endeavor as far as possible to settle the question prior to the meeting of the conference.

Summing up the foregoing three points, I think it may not be politic to try to limit the agenda by the standard of accomplished facts and of questions of sole concern to particular powers.

These humble opinions may result from an insufficient understanding

of the spirit of the decisions of the cabinet, but, if you should fortunately consider them, please advise me of the result for my information as soon as possible.

Consequently Tokyo ordered Shidehara to sound out Hughes as to whether direct negotiations would be acceptable as a solution to the obnoxious problem and to tell him that privately China was willing to talk.

Tokyo-Washington, No. 357. August 12, 1921.

~~Very confidential.~~

Referring to our cablegram No. 314, it appears from the cablegram of the minister at Peking that the Chinese government authorities do not at present intend to present the Shantung question to the Pacific conference. The recently told Lieut.-General Sakanishi that this was not intended, and promised the general to assist in organizing the Shantung railway police force. At the same time it will be difficult for them to accelerate direct negotiations with us. If possible, we wish to reach at least a partial solution of the Shantung question prior to the opening of the conference. We are waiting for the Chinese to take one step more in the negotiations, but it is necessary to know whether anything has been done since your conversation with the secretary of state. After your conversation with Hughes reported in your cablegram No. 443, it is impossible for us to instruct you to dun him, but if you have a suitable opportunity, inquire in a euphemistic way what consideration the secretary has since given the matter, and report the result.

(Note. There are several uncertain code groups in this text, but the general meaning must be as above.)

As Hughes cautiously insisted on seeing the proposals to be offered by Japan before advising China to barter, Shidehara advised preparation of terms for his approval as soon as possible.

Washington-Tokyo, No. 536. August 18, 1921.

~~Washington-Tokyo, No. 539 August 19, 1921~~

~~Washington-Tokyo, No. 541 August 27, 1921~~

I had an interview with the secretary of state on August 18.

I then referred to the Shantung question. The secretary said that he considered it extremely advisable to effect as far as possible a solution of this and the Yap question prior to the opening of the conference in order to facilitate the progress of the conference. In the matter of the American government advising the Chinese government to open direct negotiations with Japan, there must be a general program before hand of the negotiations between them and it was essential that he himself should have some conception of the terms on which Japan contemplated proceeding with the solution of this question.

This question had, since the year before last, produced a sort of complicated situation in connection with the American senate. This was regrettable, but there was no recourse but to accept it as a state of fact. Under the circumstances, if the American government with no knowledge of the terms which Japan may wish to propose should heedlessly advise the Chinese government to open direct negotiations with Japan, it must be feared that this act would incur the opposition of the senate and

of public opinion and react to add new complications to the situation.

Thus Japanese statesmen had repeatedly declared that only the economic rights and interests previously held by Germany in the province of Shantung would be reserved by Japan, but it was not yet clear what was meant by economic rights and interests. It was hardly to be expected that the interpretation of this would not engender trouble in connection with its influence on the interests of the powers. Of course he did not wish to try to interfere improperly in these matters, but a little knowledge of the concrete intentions of Japan in regard to the terms of solution was now necessary in order to estimate whether there was any prospect of success in giving China this advice. He hoped that there would be an exchange of views with him on this matter in advance.

I asked whether the purpose of the secretary's request for information of the intentions of Japan in regard to the terms of solution was merely for his own information or whether it was in order that the secretary might communicate them informally to the Chinese government.

After a little hesitation, Hughes replied that he would attach importance to the wishes of the Japanese government in deciding this.

I said that these terms of settlement required careful consideration on the part of the Japanese government also, and I was not yet at least in a position to have an exchange of views. In any case, however, these negotiations would have to be conducted directly between Japan and China, and there was therefore no idea in mind of communicating these terms to China through the American government.

Washington-Tokyo, No. 539, August 18, 1921.

Referring to my cablegram No. 536, I think that while the secretary of state is concerned over the strong opposition of the American senate to the Shantung clauses of the Versailles treaty, he is confident

that, if the terms for the settlement of this question which are to be submitted by Japan are fair and liberal, and if the United States government should take the step of recommending direct negotiations with Japan to China, this course would finally receive the approval of the American senate and public opinion, and I think that he is resolved to carry it through decisively.

If the United States should give this advice to China, not only would this be advantageous to the progress of the Japanese-Chinese negotiations, but it would indirectly be fruitful of good in showing China the existence of a good understanding between Japan and the United States. I hope therefore that the Japanese government will use this opportunity and take the course of determining at once on fair and liberal terms of settlement and of communicating them confidentially to the American government.

Moreover, in regard to the so-called "economic rights and interests" to which the secretary referred, there is, perhaps, room to interpret the phrase to include all the preferential rights of investment which Germany had formerly owned and capitalized in the province of Shantung, but this sort of preferential rights also have a relation with the consortium agreement and are inconsistent with the recent general trend of opinion in favor of the abolition of spheres of influence. I therefore suppose that it is not your intention that we should reserve them, but I request your instructions.

Washington-Tokyo, No. 561. August 27, 1921.

According to your cablegram No. 384, although the Chinese minister of foreign affairs divulged to minister Obata the opinion that the Shantung question would not be brought up at the Washington conference, this of course cannot be the decided view of the Chinese government.

On another hand, in the American-German treaty, the signing of which

has recently been achieved, America enumerates terms wherein she acknowledges no obligations. The inclusion of Shantung among these requires attention.

Therefore, if a solution of the Shantung question is not reached before the opening of the conference, it is hardly to be expected that the question will not be introduced at America's initiative at the time of the Washington conference. However, the American authorities are hoping as far as possible for a settlement of the question before the conference opens. Hence the proposal, of which I have cabled you repeatedly, that they be acquainted with the Japanese government's concrete terms of settlement.

I believe it important to seize the opportunity and settle this question at once. The day of the conference opening is drawing closer and closer. Please cable a reply as soon as possible to my cablegram No. 539.

Tokyo sent the Shantung terms September 3 with strict orders not to show them to Hughes until they had been presented to the Chinese minister in Peking and even ordered Shidehara to tell Hughes about the secret proposals of the Chinese. *(start to follow G.H.C.)* For Shidehara's translation, see Chapter 14.)

Tokyo-Washington, No. 404, September 3, 1921.

~~Tokyo-Washington, No. 410, September 3, 1921.~~

~~Very truly,~~

Regarding your cablegram No. 536 and your succeeding cablegrams, I am in entire accord with you as to the advisability of accelerating the Shantung question. For this purpose I consider it the best policy to have the American

government give friendly advice to China simultaneously with the presenting of our terms to the Chinese government.

After careful study I have sent the minister at Peking the instructions contained in accompanying cablegram Nos. 405 and 406. When you have studied the details of these cablegrams, they will be followed by another cable, sent after the minister at Peking has executed his instructions. Upon your receipt of this last, you will embody in a memorandum the fundamental principles and proposed measures contained in accompanying cablegram No. 406~~4~~ and hand this memorandum to the secretary of state ^(State) solely for his private information. You will then tell him the contents of accompanying cablegrams No. 405 (Note. No. 433 to the minister at Peking), explaining in full that the Japanese government in a spirit of absolute friendliness and compromise has offered just and liberal terms of settlement in order to bring about at the earliest possible day a satisfactory solution of the question, and has asked an early meeting for negotiations.

You will say that I am exceedingly thankful that the secretary of state has of late given very thorough consideration to this question~~4~~ and I think that in this memorandum he will recognize the fair attitude of the Japanese government toward it.

Nevertheless, the Chinese government, while secretly inclining to direct negotiation, has, either through fear of foreign intervention or in consideration of the attitude of the people (?), not had the courage openly to allow direct negotiation~~4~~ and on this account has been vacillating. I think it would expedite and facilitate a settlement if the American government, in which the Chinese government places such confidence, now advises the Chinese government that it is a good policy to agree at once to direct negotiation on this question.

So, when we open negotiations and present to the Chinese government the terms which we insist on as essential, we are at the same time communicating this to the American government. If happily the secretary of state recognizes

the sincerity of the Japanese government, we should be very pleased if, in accordance with the ideas recently exchanged on the question, he will merely give advice that he thinks it right that a quick settlement be made at this time between China and Japan.. . .

After an intimate interview please cable me the secretary's reply.

Tokyo-Washington, No. 410. September 8, 1921.

~~_____~~

Referring to our cablegram No. 404, the accompanying cablegram No. 411 is from our minister at Peking. In accordance with our cablegram mentioned above, you will confidentially communicate to the secretary of state our proposal made to China with an explanation, but, in view of the tone of the remarks of the Chinese foreign minister in the accompanying cablegram, you will (Note. There is no sign of a negative, as might possibly be expected) at this time allude to the passage in our cablegram No. 405 (No. 433 to the Minister at Peking) relative to the proposals which the Chinese had secretly communicated to us, etc., and will explain this.

You will cable us the complete text of the English translation of our proposals which you communicate to the secretary of state ^{1 (return)} ☉

When the terms were presented to Hughes September 8, he agreed to think them over and speak to China. He had many questions to ask which Shidekara answered gravely and fairly at the moment and then called home to discover the right answers.

One thing that puzzled the Japanese ambassador was Tokyo's desire to let Hughes in on the secret negotiations with China when the latter had insisted on absolute privacy. Tokyo was evidently becoming exasperated at the Chinese, though their rebuffs to this latest offer had not yet occurred. To Shidekara such an action

spelled only trouble.

Washington-Tokyo, No. 590, September 9, 1921.

On September 8 I had an interview with the secretary of state.

Regarding the Shantung question I thanked him for the interest he had shown in hastening the settlement. Then I told him that of late the Japanese government with that identical purpose had decided to reply to China with an outline of concrete terms for settlement. I said these had already the day before been presented to the Chinese by the Japanese minister to China.

For the information of the secretary of state I read him these outline proposals for settlement (my cablegram No. 580), and handed him a copy.

I repeated my explanation that the Japanese government in presenting this matter had no other motive than a complete and immediate settlement of whatever questions were pending between China and Japan, and the promotion of friendly feeling between the two countries. Whether the Chinese government would meet these proposals or not was still not evident. Nevertheless, judging by indications in China during late years, the way student bodies with no sense or prudence or responsibility had meddled with political questions, and the way the government continued running a dangerous course without any constructive policy, doing nothing to curb this mischievous and destructive policy; but rather utilizing it and being utilized by it, - one could not but feel doubtful with regard to the Shantung question also, whether finally China would comprehend the justness and liberality of Japan and cooperate in good faith for a settlement.

It would be an extremely ill-judged act on the part of the Chinese government to put off acceptance of negotiations on this question and to create another such disturbance during the sessions of the Washington conference as had occurred at the Paris conference. I believed it would be greatly to China's benefit if the American government would at this time

advise China of the advantages of the conclusion of an immediate agreement on this question between China and Japan.

The secretary of state said in reply that, as he had often stated before, it was an advantage from the standpoint of whatever country to have this question settled before the conference. He himself was greatly pleased that the Japanese government had fixed upon a proposed settlement. He desired me to answer the following questions regarding this outlined proposal:

1. The secretary of state asked whether in heading 1, the words "shall be restored to China" meant "returned in full sovereignty".

I replied in the affirmative.

2. Then with regard to the words "vested rights of foreigners" in heading 2, the secretary of state recalled to mind that the Germans did not originally have the right of land ownership within the confines of leased territory, but only the right to lease land for 25 years. If this right were to stand forever, would it not constitute an extension of rights, he asked.

I said I did not know whether or not in the German regime a leasehold of over twenty-five years was really not allowed, but it was clear from a legal standpoint that generally speaking those taking over rights could not enjoy rights broader in scope and ~~scope and~~ character than were possessed by the predecessors. Therefore I thought rights not held by the predecessors could not be claimed as "vested rights" by those taking over such rights.

Furthermore, Hughes said he had heard that in the occupation by the Japanese army many buildings owned by Chinese had been expropriated for Japan.

I said that although [Ed. Note. Possibly, there had been]. instances of purchase by Japanese military authorities and other Japanese of land belonging to Chinese, I believed it entirely erroneous to say this was done through expropriation.

Then Hughes asked whether, even in such cases, the basic principle would be applied that the recipient of the transferred rights could hold no further rights beyond those held by the predecessor.

I said of course that would be so.

Then Hughes asked whether Japanese vested rights would control the wharves, docks, etc. of Tsingtao.

I replied that it was not fully known whether the above wharves and docks were state property of Germany, whether they were property pertaining to the Shantung Railway Company, or whether they belonged under the jurisdiction of the maritime customs of China. But, if they were property once held by Germany, they would be dealt with as a case in point under heading 7; if they were the property of the railway company, they would be dealt with as a case in point under heading 3; lastly, if they fell within the jurisdiction of the Chinese maritime customs, they would be considered as a case in point under open port areas.

In concluding this subject Hughes pointed out that wharves and docks were closely connected with the carrying out of the principle of the open door policy, in reply to which I said that in any case it was needless to say Japan would not accept a system which ran counter to the principle of the open door.

3. With regard to heading 3, Hughes asked whether a joint Sino-Japanese system would really work along harmoniously.

I told him there were not a few joint Sino-Japanese enterprises which during previous years had worked along harmoniously. Citing the instance of the Yalu River deforestation enterprise, I said there was no reason why joint management by both governments, or by subjects of both, should not be successful also in the case of the railroad.

4. Regarding heading 7, Hughes inquired the significance of "in general".

Going minutely into particulars, I replied that, although there was no reason to anticipate the event of an exception to this general rule, yet

there would have to be a reservation made against an event such as the possible conversion into a Japanese consulate of the building once used by the German governor general.

I explained further that in the maintenance and support of public works, such for example as waterworks and roads, unless ample expedients were arranged in advance between Japan and China, these works would before long go to rack and ruin, and the loss to the general public would be great.

When I had finished replying to his questions, the secretary of state remarked that he would pursue his study of this matter further, and possibly have another exchange of views with me. However, in the main he appeared satisfied with the attitude of the Japanese government, and he replied to me that he would by all means give immediate thought to the matter of advising the Chinese government.

In conclusion, -- the Chinese minister of foreign affairs told us it was his desire to avoid a report or announcement from the Japanese government to other countries of the fact that the Chinese had confidentially communicated proposals to us. In your cablegram No. 410 there is the following passage in this connection. "At the time of your confidential talk with the American side, you will explain this procedure".

Do you mean that I am to disregard the wishes of the Chinese minister of foreign affairs and advise the American authorities of the facts of the case?

It would rather invite suspicion on the open and impartial policy of the Japanese government if I do such a thing as give secret information to the secretary of state with the express stipulation that it must not be divulged to the Chinese government. If, on the contrary, I should communicate this confidentially without making such stipulation, and the matter should in some way leak out, it would add to the difficulties in Sino-Japanese relations.

I beg you to note that it was because I did not quite apprehend your meaning that I postponed reference to this matter.

For my own information, please tell me the answer to the secretary of state's questions in heading 2 of this message, -- whether or not foreigners cannot hold real estate in leased territory beyond a leasehold of twenty-five years, and by what method the wharves and docks in Tsingtao are to be controlled.

Shidehara was eager to publish the terms in America to offset Chinese propaganda.

Washington-Tokyo, No. 597. September 10, 1921.

Various conjectures about the terms of settlement of the Shantung question are becoming stronger and there is a tendency to attempt criticism based on them. I give one instance of this in the accompanying cablegram No. 598 (Note: A translation of article by Fox in Washington Post of Sept. 10 sent unencoded). It is plain that this is based on Chinese explanations. If we leave things as they are, this tendency will become more and more pronounced and the Chinese propaganda will take the opportunity and succeed in turning American public opinion to our disadvantage. I therefore request your consideration of immediately publishing these terms of settlement as recommended in my cablegram No. 422.

After answering the questions that Hughes has raised previously, Tokyo instructed Shidehara to give him a complete history of the secret negotiations despite China's request for silence. The Japanese ministry foresaw that China might wish to throw responsibility on Japan to avoid domestic complications and that it might be necessary to publish everything in self-defence.

Tokyo-Washington, No. 426. September 15, 1921.

Answering your cablegram No. 590:

1. It is desired that in the main you shall keep to yourself the contents of our cablegram No. 414 about the meaning of our proposals to China, and shall endeavor not to go too deeply into details.

2. Regarding land, during the German regime all Germans and foreigners secured the enjoyment of the right of land-ownership and therefore continue to have it. As for the twenty-five year leasehold, etc., there was a provision in the German statutes whereby land was appraised as often as it was sold, or every twenty-fifth year in the case of land which was not sold, and a tax was levied on the increase in value. The misunderstanding seems to have originated from this.

Since our occupation, public land has only been leased for terms of less than ten years and no right of ownership has been given, and, since the occupation, all acquisition of land which had to be purchased for public purposes has been through individual contracts only, as your cablegram stated.

3. The phrase "vested rights of foreigners" does not necessarily indicate only the rights existing under the German regime. It is feared that Hughes may have some misunderstanding concerning this point. The Japanese government naturally intends to see that rights lawfully acquired, or granted to residents during our occupation or since the German regime shall be respected. Questions such as that of the handling of the salt fields are most difficult, but it will be the policy of the Japanese government to have them recognized in writing as vested rights or lawful occupations and to make an agreement concerning their relations with the Chinese salt monopoly. It is desired to handle questions such as this and the question of wharves and piers together with the railway question.

Regarding the principle that those who take over rights shall not have rights beyond those held by their predecessors it is desired to support concerning these concrete pending questions, and it is desired to leave room for agreements changing the rights held by the

4. During the German regime, all wharves, piers, port works, etc. all came under the government administration. Our general plan for their disposal is given in heading 6 of cablegram No. 414.

5. In spite of the wishes of the Chinese minister of foreign affairs, we consider it much more advisable to have our position clearly understood by Hughes. To do this it is not necessary that we should communicate in detail the substance of the informal Chinese proposals to us, but we should at least tell enough of these proposals to make it understood that we have also had in mind the wishes of the Chinese. Especially ^[since] the Chinese, in order to escape trouble, may adopt a policy, in their domestic policy, of throwing the responsibility on us, and it may later become necessary to expose all the details of this matter. It is therefore considered very desirable that we should explain for Hughes' private information the general course which this matter has taken, and at a suitable opportunity you will do so.

On learning of China's overtures Hughes suggested taking the initiative to influence China to accept the proposals, provided Japan would guarantee fair play, - that is, give China full opportunity to barter with counter-proposals. He tentatively expressed opposition to the joint control plan for the Shantung railroad and forecast the Chinese purchase plan.

Washington-Tokyo, No. 611. September 16, 1921.

In an interview with the secretary of state on September ... [Ed. Note. Possibly, 15,] the Secretary alluded to the Shantung questions and repeated what he had said in the previous interview about the phrase "vested rights" in paragraph No. 2 of our proposals to China. He also said that the nature and scope of the "public property" mentioned in paragraph No. 7 was not clear. He said that he himself understood the phrase to mean the property of the Chinese government.

criticism of the terms of settlement proposed to China by the Japanese government, but it was necessary for him to have a precise understanding of the meaning of our proposals if he was to take any action towards China.

The preceding questions were both merely matters of detail. The crux of the whole situation was the proposal for joint administration of the Shantung railway. This after all had been the point of the discussion of the Shantung clauses of the Versailles treaty in the American senate since 1919. Japan had previously announced that there would be a joint Sino-Japanese administration, but it had frequently been argued that this joint administration would be merely nominal, that in practice the management of the railway could not be conducted on a basis of equality between Japan and China, that the participation of Japan, ⁱⁿ whole or in part in the administration of railways in China, would be an encroachment on the administrative power of China, and that in the end the actual political power in the Shantung district would be reserved to Japan.

In view of this it was feared that, if the American government in the sense of endorsing the Japanese claims on this point should advise the Chinese government to open negotiations with China, it would incur the criticism of the senate and of public opinion. Was there not room for some suitable alternative plan which would suffice to avoid this criticism such as a plan for the restoration of the railway to China on the basis of a necessary compensation to be made to Japan by China? The secretary explained that the expression of his opinions was not meant in the least as an objection to the Japanese proposals, but that he absolutely desired a quick satisfactory solution of the Shantung question, and he had no other purpose than to facilitate the attainment of this object.

In reply I first said that I had since inquired about his first statement that Germans and other foreigners had no right of land ownership in the leased territory and had been informed that this was entirely contrary

to fact. I explained the contents of heading No. 2 of your cablegram No. 426. The secretary understood this, and said that what he had heard must have been a misunderstanding.

Passing on to the nature and scope of "public property", I said that I was not in a position to express an opinion on this at the moment. The only way to decide this would be to proceed with direct negotiations between representatives of China and Japan.

With regard to the Shantung railway, the plan for a joint Sino-Japanese administration would be a method of settlement equally advantageous to both sides. Judging by precedents and experience, there was no reason why there should be difficulty in carrying out this plan harmoniously both in name and in fact. I had frequently heard the argument that Japan under pretext of joint administration wished to get the real control of the railway, but this was no more than a prejudiced view or guess. It was hard to understand the meaning of the statement that the joint administration would be an invasion of China's administrative powers.

I added that just here there was one important point affecting the whole matter in which the position of Japan must be made clear. This was that the recent proposals of the Japanese government to China were after all no more than the showing of a basis for Sino-Japanese negotiations. If there were matters of which the Chinese government considered that the meaning was not clear, there was nothing to prevent it from asking an explanation from the Japanese representatives after the opening of negotiations, or, if China had any particular counter-proposal, which was more suitable than the clauses of the Japanese proposal, it could present it. Even if China consented to the opening of negotiations, it need not be said that there was ~~no~~ fear it would be compelled immediately to approve the Japanese proposals as they stood unconditionally and without amendment. In short what was meant was that Japan and China should negotiate in a friendly spirit.

I would add a word about the circumstances under which the Japanese government had come to the decision to take ~~its~~ recent action. The Chinese government had previously through an informal channel expressed views to the Japanese government regarding the solution of this question. The Japanese government had had this intimation in mind in coming to the opinion that the proper means of promoting a solution was to determine an outline plan and to open negotiations through formal diplomatic agencies.

I said that I had repeatedly expressed the hope that the American government would advise China to open negotiations with Japan, but I did not expect that the American government would advocate or support all the clauses of Japan's proposals to China. The proposal gave the essential things which must be decided by negotiations between China and Japan, but unless negotiations were opened it would be hard to ascertain what were the differences of opinion between the two countries, and there would be no means of solving them. The first step necessary for a solution was a meeting of representatives of China and Japan. All I hoped of the American government was that it should take steps to accelerate this meeting.

The secretary of state listened to my explanation and said that he understood it perfectly. There was no misunderstanding on his part of the fact that what was wished of the American government was merely that it should advise China to open direct negotiations with Japan, but, in view of the special circumstances connected with the Shantung question in the senate which he had mentioned and in view of the political situation in China, he would be incurring a great moral responsibility if the American government gave China any advice on this question. He hoped therefore to have beforehand a substantial confidence that the Japanese plan of settlement would be sufficient to win the sympathy of American public opinion and to quiet the opposition within China. If he had such confidence, he even thought that he might rather go so far as to take the initiative in persuading China to accept the Japanese proposal. He asked whether the Japanese government could not announce that its proposals merely showed a basis

for negotiations between China and Japan, and that the Chinese government was not prevented from presenting counter-proposals or amendments.

I replied that, even without such a declaration, I supposed that the Chinese government was under no misapprehension about that, but with regard to the proposed joint administration of the Shantung railway I did not imagine that there was any good plan to replace this method of disposing of the railway. China before the war had had no share in the railway and during the war it had made no sacrifices. I was sure that it would appreciate the kindness of Japan if it received a share in the former German interests to which Japan had legitimately succeeded.

The secretary did not particularly dispute this, but repeated that the disposition of the railway was a difficult question. Finally saying that we would have another change of views he turned to another subject.

Because he sensed the importance of Hughes' objections to the joint control plan, Shidehara primed himself with arguments to overcome them before presenting himself for his next interview six days later. After he had displayed all his pretty arguments, Hughes started in again to hammer at the joint control idea as quite unacceptable.

Washington-Tokyo, No. 635.

September 24, 1921.

On the occasion of my interview with the secretary of state on the twenty-second, I stated the substance of the following as my personal views on the observation made by the secretary at our last meeting that criticism would arise to the effect that the Japanese government's proposal for settlement of the Shantung railway question was suspected of amounting virtually to administration of the railway by Japan, and an invasion of the administrative rights of China.

1. Although it is said that joint management of the railway will be an invasion of China's administrative rights, a concrete analysis of the meaning of this makes it difficult to understand precisely what can bring about such a result. To say such a thing as that Japan will control this railway for political and military purposes, is in the end nothing more than a sort of conjecture. Before the war Germany had possession of Kiaochow^{ow} bay, and accordingly the Shantung railway afforded opportunity for the extension of Germany's political influence into the heart of China; but, if China is at this time to recover complete territorial rights with respect to Kiaochow^{ow} bay, the situation thereupon completely changes and the railway will have no other meaning than a purely economic enterprise. Finally, assuming even that Japan gets away from the fundamental principle of joint management, and virtually obtains the real power of administration, this would be no more than equivalent in meaning to England's putting in her own chief engineers and accountants and exercising the right of management with respect to the southernⁿ section of therailway. In other words, such old-style diplomatic strategy as that termed "conquest by rail" cannot today be put into practice.

2. For China it is an enormous advantage to be given one half share in an enterprise in which heretofore she had no share at all, and to recover all the territorial rights of Kiaochow^{ow} bay. It cost no sacrifice whatever to China to acquire these rights, and, not only did she not attempt to make any efforts on her own part, but during the war she was too passive in regard to letting the Germans remain in possession^① and, because she had no ~~cons~~^{cons}ideration for the interests of the allied and associated powers, she more than once received warning from the representatives of the allied and associated powers at Peking. Japan, on the other hand, made great sacrifices to expel Germany from the province of Shantung; despite which she waived all the territorial rights formerly owned by Germany, and restored them to China. She should be satisfied with the reservation of half share in the railway, and it cannot be told whether for even the railway Japan may not perhaps pay suitable indemnity to Germany. It is judging from these facts that the Japanese people

are firmly convinced of the liberality of the terms presented by Japan. It is hoped that, in this question on which the people feel deeply, it will be particularly understood how hard it will be to make any further concessions.

3. The proposal for joint control of the railway is not a new one. A ready acceptance of it has already been given in a note given to the Japanese government by China in the year 1918. Evidently no one can consider the agreement of 1918 as based on compulsion from Japan. Rather than that, it was the result of our unavoidably having to give sympathetic consideration to providing China with necessary funds, when China at that time appealed to us in her financial embarrassment. Probably today such a thing, as China's forgetting these circumstances, and repudiating the terms under which the funds were provided, is not the real intention of the Chinese authorities.

When I finished reiterating my explanations on the above three points, reply was made in substance as follows:

1. The secretary of state repeated the points of argument he had brought up at the former meeting, saying that, although it was called a joint control of the railway, in view of the great difference between the people of Japan and China in point of business administration and organizing power, the Japanese would virtually be in control of the railway; in other words, although the same number of directors was chosen from Japan and China, the natural tendency would be that the Chinese directors would be such in name only. Although, in Japan's claim that the railway was under joint control, I had explained that this was for economic purposes pure and simple; when it came finally to making economic rights and interests alone the main point, there would, as he himself had stated at a previous meeting, be no reason for not discovering a plan embodying the principle of compensation. He argued: would there not be some with the misgiving that in not remaining satisfied with the monetary compensation, there might be an admixture of political aims?

I said in reply that I thought that although we did believe that as a purely economic enterprise the prospects of the railroad were good, the existence

of proceeds from the railway, or the amount of the proceeds, must be determined primarily by whether or not the road was well managed. If the administration were left to the control of the Chinese, no satisfactory results whatever could be expected.

In China, in many cases of railway investment, the employment of foreign chief engineers and accountants was made a stipulation, Japan had no other meaning than this in proposing joint control. Even on the assumption that the principle of compensation was theoretically appropriate, there was no hope of settling the amount of compensation, unless this were judged by putting joint control into practice from now on. Consequently, even if Japan were not satisfied with the monetary compensation, I thought it premature to make the deduction immediately that there were political aims intermingled.

Hughes said that, even if Japan restored the right to the lease of Kiaochow^{ow} bay, but held on to actual control of the harbor docks, piers, ware-houses, etc., as joint enterprises together with the railway, violent public discussion would be aroused on the whole Shantung question, and thereby it would be difficult to make the general public believe that in the recent Japanese proposals there were no political aims included. He repeated that he feared it would be difficult to avoid the impression that Japan was securing a fait accompli.

2. Hughes fully recognized the fact that Japan had made great sacrifices to drive Germany out of Shantung, but at the same time he pointed to the far greater sacrifices America had paid in the war, to succor France in her peril, despite which no compensation at all had been claimed of France.

I said that the peril menacing France from Germany was in other words a menace to the civilization of the world, and it was that which brought America into the war, but Japan's participation was not for the purpose of succoring China in her peril, and the aspect of the two cases was inherently differently. I thought there was no reason for China to ignore Japan's efforts, and monopolize the benefits of victory in the region of China.

3. The secretary of state then referred to the Sino-Japanese agreement of 1918, which I had spoken of, saying that it would seem that this agreement

had not met with the consent of the people of China.

I explained that needless to say, when the representatives of any country received a special charge from their country's government to conclude a treaty, that treaty lost no validity through any such reason as the existence of adverse criticism to the treaty among their own countrymen.

Hughes argued this point no further.

After I had made the above answer, Hughes changed his tone saying: What he had said today in speaking of his views regarding these questions had of course not been for the purpose of objecting to the Japanese proposals, but because he was alive to bearing the responsibility of whatever friendly advice the American government was to give to China. If, after the advice was once given, there should occur an outbreak of objections, whether in this country or in China, and the object of the advice should finally not be attained, then the American government would be precipitated into a most difficult position, and it would serve only to complicate the situation more and more. Already the question of joint control of the Shantung railway was loudly decried in China, and, in view of this, he felt it necessary that he act with special circumspection. He hoped I would not misunderstand the spirit in which he had so frankly revealed his views since the other day.

I said that the newspaper cablegrams for the past several days from China seemed in their arguments against joint control to lay stress on the point that there was no fixed time limit to the joint control, in other words there was to the end of time no opportunity for redemption. I felt that this might be the objection to the principle of joint control spoken of by the secretary of state.

Hughes said he also knew there was discussion among the Chinese over the question of a time limit for the redemption of the railway.

The discussion had lasted a long time, and, saying that I had still to go over the question carefully, I returned to the embassy.

In October after the Japanese had made their "fair proposal" and had it scorned by China, Japan was beside herself at China's attitude. In endeavoring to justify herself in America's eyes, Tokyo wired Shidehara to show Hughes the secret terms brought by Yo San Ji to Tokyo last May which had been a basis of their recently snubbed suggestion. Moreover, Tokyo was worried over the Chinese reply. Yen in presenting it had said that it was not greatly different from the Nippon proposal, but his interpretation diverged from that of Japan's.

Tokyo-Washington, No. 538.

October 21, 1921.

~~Tokyo-Washington, No. 539.~~

~~October 21, 1921.~~

Please take the opportunity offered by an interview between yourself and the ~~American~~ secretary of state, to deliver the Japanese government's memorandum contained in my cablegram No. 532, and to add suitable explanation also of the substance of my cablegram No. 519.

Furthermore, the Chinese government's reply was said to be substantially similar to the Japanese government's proposals, according to the explanation of Chinese foreign minister Yen, given in my cablegram No. 494. However, originally, this Chinese reply gave special attention to the wording, and seemed to be so constructed as to broaden the scope of interpretation. In the matter of interpretation, while the above explanation of foreign minister Yen is hard to deny indiscriminately, at the same time there are points interpreted with apparently great discrepancy. The fact is that one is at a loss to grasp the real meaning.

Again, in the Chinese reply the passage "kuutoo no sengen" is in the English version only "vague declaration", but in the Chinese version the

"kuutoo" is different from "vague" and can even be translated into English as "hollow". It is therefore a careless term.

Please, in making explanation to the secretary of state, add anything the occasion demands.

Moreover, there are points in the Japanese proposal which lack clearness, and it would seem as though on that account the impression is given to America, China, and other quarters, that Japan, while giving up things in name, wishes to secure them in fact.

This may perhaps have originated in Chinese propaganda. However, I think, if we vindicate ourselves in this in an abstract way only, the effect will be very slight. I consider it important to determine, as an established policy, an explanation embodying principles of justice and liberality. This is now under careful but urgent consideration.

Tokyo-Washington No. 539.

October 21, 1921.

Referring to your cablegram No. 538, with regard to the Chinese proposal quoted in our memorandum, in May of this year we received a secret proposal from Premier Chin which Yo San Ji brought at the time of his visit to Japan. The substance of this confidential communication to the Japanese government is contained in the following points, which, in case inquiry is made by the secretary of state, you may communicate to him confidentially as may be necessary, but public announcement should be avoided.

1. Kiaochow ^{our} shall be returned in its entirety and Tsingtao opened up to China. No customs duties shall be collected upon goods consumed in these districts in accordance with the plan followed under the German regime. An administrative governor shall be put over them in accordance with the special plan followed in Tientsin and Chientao.

2. The Japanese military commander shall not be authorized to compel Chinese citizens to sell land to the Japanese in the districts occupied by the army.

3. German public property in the Tsingtao district, namely, wharves, piers, warehouses, lighthouses, etc., shall be handed over to China and shall be put under the jurisdiction of the maritime customs. The other utilities, namely, electric light, plants, water power stations, harbor service and bathhouses shall be put under the supervision of the administrative governor. With reference to matters pertaining to forts and barracks, a plan shall be discussed separately within the next few years to determine what arrangement shall be made. As the salt monopoly of the Chinese government was not previously under the control of the Germans, it shall be returned to China. If in the future there is a scarcity of salt in Japan, the Chinese government for a period limited to twenty years would every year permit Japan to purchase salt in Tsing^tao.

4. With reference to the question of the Shangtung railroad the
[Ed. Note. Possibly, new] lines shall be under the new consortium and the Kiaochow^{ow}-Tsinan railroad shall either be given over entirely to the administration of China alone or a term of years shall be fixed within which it is to be returned. In the meantime a joint committee of transfer shall take charge of its finances and operation. The shares held by the German government and public during the German regime shall be bought up by the Japanese and Chinese governments, each government taking half. China shall recognize this surrender of half interest, but the remainder of the revenue derived from this railroad, since its occupation by the Japanese, shall be divided into equal parts and an unquestionably impartial settlement made. Matters pertaining to the actual administration of the railroad, for instance, the method of policing, etc., shall be in the hands of the Chinese government.

5. A time shall be fixed for the definitive withdrawal of all Japanese troops from Shangtung.

6. Activities already opened along the railway shall also be jointly administered until the railway is returned.

7. The Tsingtao-Chefoo and the Tsingtao-Shanghai cables and likewise

wireless stations within Chinese territory shall also be transferred to China, the Chinese government making payment of the amount expended in their construction.

8. In addition to these ~~means~~ of settling the question accepted by both parties, the Japanese government shall declare that it henceforth repudiates all rights and privileges previously obtained through treaties and agreements concluded with Germany and that it will not again make claims based upon them.

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The Chinese were the only ones completely averse to open and direct negotiations.

On August 11 Tokyo reported that open agitation against direct parleys was dying out in China. Yet a month later due to the activity of the Sun Yat-sen faction in Canton opposition ^vrevised.

Tokyo-Washington, Circular No. 247.

August 11, 1921.

~~Tokyo-Washington, No. 432~~

~~September 13, 1921~~

(Note. Text badly garbled and difficult.)

As the intentions of the interested powers in connection with the holding of the Pacific conference have gradually become clear, and especially as reports have come from Europe and America that Japan has taken a fair attitude, the attitude of the Chinese people has also gradually shown the same ^psymptoms, and especially it has become certain that there is no prospect of success in a vain policy of propaganda at the time of the conference. As a result, the authorities and even the newspapers which have been extreme in rejecting any direct negotiations on the Shantung question welcome the right of China to demand of Japan the restoration of Shantung, and argue that direct

negotiations should be opened. At the same time the so-called students' organizations are not agitating against this, but are raising the point that there is danger that the result of the conference may have a bad effect on China as exemplified by the proposal for a joint international administration and that the urgent duty is the unification of China. Some go to argue that it would be desirable to establish a status of permanent^a neutrality like that of Belgium.

An example is Shu Kei Kin who recently visited Japan after a tour of Europe and America, and who feels strongly from impressions he received in Great Britain and America that a joint international administration is sure to appear. He says that after his return to China he will form a commission to study from all sides the future of China. His change of attitude is notable.

It would hardly be proper to say, however, that this attitude of the government and people proceeds from thought of the national interest. From the chaotic condition of the country it is clear that egotism continues to control as before. As you know from our cablegrams from time to time, the opinion of British and Americans in China is gradually inclining to the view that China is absolutely disqualified to have a voice in international affairs. The influential foreign-language newspapers in China are describing the condition of China in extreme terms, and it cannot escape observation that British and Americans think that no important action can be taken excluding Japan (Note. Sentence garbled and doubtful).

It is clear that the insignificant and incapable central government cannot produce any policy for the enterprise of unification. It was recently^h reported that the central government had planned to issue orders permitting provincial federation. This is an exposure of the gradual loss of standing of the government. If provincial federation were actually carried out, a state of rival leaders and military autocracy similar to that of Japan in the Tokugawa Hoken age would result. Militarism would become more rampant^{mpa} than it now is, and the central government would become merely a name without substance.

Foreign relations would be reduced to an intolerable condition.

Tokyo-Washington, No. 422, September 13, 1921.

Referring to your cablegram No. 600 (Note. Plain text message of September 15 giving the substance of a letter to the American president, signed by Sun Yat-Sen and the Canton minister of foreign affairs), the letter from the Southern government of China seems to be the same in substance as the written proclamation issued to the public by the Sun faction on September 5.

At the same time that this announcement was made, the Sun coterie appear to have been intent upon a propaganda at home and abroad, centered around this proclamation. The Chinese newspapers suddenly became worse in their arguments with reference to Japan, asserting that Japan was opening negotiations with the Peking Government, that the Shantung question and the treaty relative to the twenty-one demands might not be brought up at the Pacific conference. They were violent in their opposition.

Upon this Consul Fugita at Canton observes:

The Canton faction is apparently not interested in investigating with the people such serious questions as what kind of proposals China should present. No arguments helpful in any way to the settlement of Pacific questions have up to today been published. All they seem interested in is some method whereby they may attack the measures of the northern representatives when the conference opens. There is no doubt they are taking this opportunity for designing to undermine the position and credit of the Peking government, to divert the political and economic advantages which the Peking government formerly received from the allies, and to lead these in another direction favorable to the position of the Canton government. Consequently they are back of a propaganda which proclaims that the Canton government should send informal representatives to the Washington conference and bring up of course such questions as Shantung, the twenty-one demands, etc. At the same time they are appealing to public opinion broadcast, saying that the Peking government is not capable

of truly representing China, and that there is no intention of thwarting the acts of the representatives of the Peking government.

Tokyo sent on two reports as to public opinion in China concerning the Japanese proposal. Chinese opposition had become mild, but the American papers were perversely upholding them in wishing to bring the Shantung affair before the Washington conference.

Peking-Tokyo, No. 639. September ?, 1921.

Tokyo-Washington, No. 447. September 24, 1921.

~~Tokyo-Washington, Circular No. 296. September 24, 1921.~~

Since the presentation of the proposed terms of settlement of the Shantung question, the British and French foreign language papers and news service bureaus here have been favorable toward opening direct negotiations. On the other hand, the American news service bureaus and newspapers have opposed direct negotiations, asserting that the whole question should be laid before the Washington conference, and have continued to maintain an attitude supporting the Chinese view-point.

Recently, however, there has been a marked change in the tone of editorial comment, and articles say that even though the Japanese proposal is unsatisfactory to China, it would constitute a point of departure upon which to base negotiations. Then, if the result were not favorable, it could be presented to the Washington conference. To refuse unconditionally the proposal of Japan not only would not meet with the approval of the United States, but would not advance Chinese interests.

News report.

The discussions in the Chinese ideograph newspapers of Peking and vicinity, regarding our new proposals on the Shantung question, have, with the exception of one or two papers, shown opposition to us in practically everything, saying that viewed superficially the new Japanese proposals make great concessions, but the substance of them is altogether mutilated, and, consequently, to have them adopted as they stand would in the end draw criticism upon Japan from many foreign powers; that particularly, if there are some still who doubt the good faith of Japan in the matter of withdrawal from Shantung, direct negotiation should be instituted after China has seen the Japanese withdrawal take place, and China should at the same time demand the cancellation of the twenty-one demands.

However, opinion in leading foreign papers of Shanghai, etc., is unanimous in saying that, even if China should bring forward the Shantung question at the Washington conference, it would be difficult to realize the result anticipated. Not only that, but, if they are brought up at the conference, the sovereign rights of China would be openly discussed by every country. It will be more to China's interest to have direct negotiation with Japan, and these proposals of Japan will be profitable to the interests of not only China, but to the people of every country; consequently, no country should oppose them. Also, the Chinese people should perceive that these Japanese proposals manifest a desire to maintain harmonious relations, and they should be glad to accept them and open up direct negotiations. The proposals form an important factor in the progress and prosperity of two great nations of the Orient.

Likewise among influential Chinese statesmen these recent proposals of Japan are thought appropriate, and so-called voicers of public opinion have expressed the view that, even if there are many circumstances in the past which make for opposition to direct negotiation, it would be expedient

today, when negotiations would be put through under the knowledge of America as well as Great Britain, to have America advise the Peking government of the advantage at this time of attaining settlement through direct negotiation.

From the above I feel that there will inevitably be opposition from the Chinese public to these recent proposals of Japan because of things that have transpired in the past; but I also feel that public opposition today will assume no unexpected proportions, since the Peking government seems to be trying in every quarter to pacify opposition.

The London embassy under Hayashi was eager for Japan to redeem herself in the good will of the world. On July 21 Hayashi advised Tokyo to release the Shantung terms to show her spirit of fairness and compromise and went further to present a brief outline of three points as a working agreement a fortnight later.

London-Tokyo, No. 875. July ?, 1921.

London-Washington, No. 329, July 21, 1921.

~~London-Tokyo, No. 355 August ?, 1921~~

~~London-Washington, No. 915 August 5, 1921~~

The Yap and Shantung questions are the two Far Eastern questions which have been most bruited about the world recently, and which are counted as subjects of discussion for the Pacific conference. According to newspaper discussion reported from New York on the nineteenth, however, there is hope that the Yap question will be settled before the conference meets, and there are reports that the declarations which Japan has pre-

viously made on the Shantung question will quickly be carried out and the question will not be submitted to the conference. On the other hand, the secretary of state in his interviews with Ambassador Shidehara does not entirely reject the idea that it is practicable to settle both these questions before the conference meets.

It appears that these two questions are to be subjects of discussion no matter what we do. I think it very desirable that, before these questions are made the subject of discussion diplomatically or by any conference, we should make our good faith known by publishing our attitude on these questions. I feel that it would be extremely good policy to publish our most recent proposals about Yap and its cables (this would require the consent of America to the publication), and our final claims with regard to Shantung (which, as I understand, would be the withdrawal of military administration). (Ed. Note. Possibly, the opening of the port or restoration of the customs).

The publication of the former would show the world that we are not obstinate in our attitude, and the publication of the latter would demonstrate that we are ambitious for nothing beyond the protection of our natural rights, that we are working for direct negotiations in order to secure the execution of the treaty, and that, if diplomatic negotiations are opened, we will observe a fair and equitable attitude.

If on the other hand, the Japanese government does not take this attitude, the suspicion and distrust which result from rumors and conjectures will be heightened, and the impression that the hesitation of Japan with regard to entering the Pacific conference, and the failure to announce our intentions are due to the fact that Japan does not sincerely wish a settlement of these subjects for discussion by the conference, will be made worse. Not only will our delay in accepting participation in the conference breed ill-feeling, but, even in case we finally do consent, it will constantly add to the suspicion towards us. China will use it to calumniate us.

Although these two ^{questions} are between two countries, it will probably be quite impossible to prevent them being submitted to the conference. It would therefore be better quickly to court the public opinion of the world, and this would be very advantageous for the general situation. I fervently hope that you will quickly decide about these two questions and lose no time in publishing our most liberal terms on them, and that you will proceed carefully to carry out every thing which is incumbent solely on us for the conference. Of course it is legitimate to advocate that established facts shall not be touched upon, but I think that, if we make clear our real intentions and show that we have a spirit of compromise, this will contribute very much to establishing a favorable disposition towards us. And if we can shift our position from the limits of self-protection to one of positive dynamic action, it seems to me that the effect of such a development would not be small. I hope that you will act quickly and not let escape the opportunity of securing the continuance of the friendly attitude which now happily exists.

I respectfully submit these humble views.

London-Tokyo, No. 915. August 3, 1921
~~London-Washington~~, No. 355. August 5, 1921

I suppose that the general Shantung policy of the Japanese government has probably been settled as the result of repeated and mature deliberation. It needs no repetition that our attitude in this matter will have an important relation with the future feeling and attitude towards our country of the countries which have close relations with Shantung, and from the present general trend of the times there is no doubt that sooner or later Japan must make an end of the disposition of this problem.

Particularly in connection with the Pacific conference, a state of affairs will arise which will require a statement of the attitude of the Japanese government. Should the Japanese government, however, not make a statement of its attitude until an occasion of this kind, even if the substance of our declaration is conspicuously generous, the powers will

not see in it an act originating in a sincere wish to promote Chinese-Japanese friendship and the peace of the Far East, but they will interpret it rather as a concession to the pressure of the outside world, and our scrupulous good faith will be of no advantage to the Japanese government.

Under these circumstances, I consider it most important that we should determine the most liberal possible policy, and, before the arrival of a case of necessity such as has been mentioned, we should proceed at the earliest favorable opportunity to publish the plan of solution of the Japanese government. I suggest this by way of precaution.

I suppose you have already drafted such a plan of solution, but to my mind the principal points of a solution would probably be the following:

1. To make the leased territory an open port under Chinese administration but with a certain participation of the resident nationals of other countries.
2. To commit the customs system to the same general administration as that of other open ports, but to reserve from the customs collections of the port a guarantee for the maintenance of the water works and the port.
3. Until the conclusion of the negotiations with China, it will be necessary to have a number of garrison troops, but we should announce the immediate abolition of military administration, appoint a consul general, and place the civil administration under the direct control of the minister of foreign affairs.

Tokyo ordered Hayashi to show the terms to Curzon and Washington sent over its English version.

Tokyo-London, No. 487. September ?, 1921.

London-Washington, No. 308. September 5, 1921.

~~Washington-London, No. 298, September 7, 1921.~~

~~Very confidential.~~

Referring to our cablegram No. 404 to the ambassador at Washington and to the cablegrams which accompany it, when our minister at Peking has executed his instructions, that fact will be cabled to you. On receipt of that notification, you will have an interview with Lord Curzon, and will hand him solely for his private information a memorandum embodying the fundamental principles and proposed measures contained in cablegram No. 406 to the ambassador at Washington.

You will give a suitable explanation that the presentation of these fair and liberal terms of settlement and our repeated urging of an early meeting for negotiations are based on an extreme spirit of friendliness and compromise, and that our only purpose is an earnest wish to settle this question at the earliest possible date. In view of the fact that the American government has recently given friendly consideration to expediting the solution of this question, we had at the same time confidentially communicated our terms of settlement to that government and had requested it to understand our just and liberal attitude.

Washington-London, No. 298, September 7, 1921

Referring to my cablegram No. 298 (reference evidently wrong), I intend to communicate confidentially to the secretary of state the English translation of our proposals to China for a solution of the Shantung question given in accompanying cablegram No. 299. I cable it for your information.

On September 8 there was a United Press article from Tokyo that the Japanese government had received Hughes okay on the terms before presenting them to Peking

and London reprimanded Tokyo for the news leak as damaging to anglo-japanese relations.

Washington-Tokyo, No. 584.

September 8, 1921.

~~Tokyo-Washington, No. 418~~ ~~September 10, 1921~~

~~London-Tokyo, No. 1016~~ ~~September 8, 1921~~

~~London-Washington, No. 307~~ ~~September 8, 1921~~

Your cablegram No. 410 has just been received this morning, and I have not yet had time to convey to the secretary of state the terms for settlement of the Shantung question.

Even so, the United Press in Tokyo has given out the report contained in accompanying cablegram No. 585, and, on account of it, inquiries have come in as to its truth.

I immediately disavowed this. However, the substance of this message will not only occasion great embarrassment in regard to the secretary of state, but it must be expected that it will hinder the progress of this question. Will you therefore please take steps at Tokyo to issue a clear denial.

(Note. Cablegram No. 585 is as follows, in plain English text.)

Japan has forwarded to Peking proposal for settlement of Shantung controversy according to statements published in Tokyo papers today. Papers said that approval of proposal by secretary of state Hughes of United States had been obtained by Japanese Ambassador Shidehara before it was forwarded to Peking.

~~to~~
Tokyo-Washington, No. 418. September 10, 1921,

We suppose that the news despatch to which you refer in your cablegram No. 584 is the United Press despatch given in No. 1 below, and we therefore had the Associated Press send the cablegram of denial given in No. 2 and also asked the United Press to make a similar denial.

1. Tokyo papers say Japan handed Peking proposal settling Shantung question. Allege Hughes approval obtained by Shidehara.

2. Foreign Office denies report Hughes approval was obtained by Japan before sending latest proposal to China regarding settlement Shantung question. Says Japan's act limited to keeping America advised as to Japan's proposal.

London-Tokyo, No. 1016. September?, 1921.
London-Washington, No. 397. September ?, 1921.

A Tokyo cablegram dated Sept. 8 (coming via New York and circulated among Japanese) purports to be the terms presented by the Japanese government for the retrocession of Shantung and is a replica of our proposals given in your cablegram No. 406 to the ambassador at Washington. It adds that the American government expressed a desire to have the Shantung question settled before the Washington conference, and that Japan has presented these terms accordingly.

Considering the correct wording of the terms and the after-remark, I surmise that this emanated from Japanese government circles.

I personally have no objection to the communication of this matter to newspaper agencies, but, when Japan, Great Britain, and America are demanding secrecy of transaction, any disclosure such as the above to correspondents in other quarters seem most inconsistent, and it is to be feared other governments will harbor doubts regarding our good faith.

I report the above for your information.

Because of the growing opposition to the joint control plan of administration for the Shantung railway, Hayashi was one of the first Japanese to suggest the

advisability of letting China have her way. To his way of thinking, under joint control the Chinese might passively block further development of the road and its branches and hence hinder the economic prosperity of the main port and terminal, Tsingtao; while under complete management they might seek to construct the necessary extensions and seek financing from the international consortium. He suggested further that the value of Japan's half might be credited to her as a loan to China.

London-Tokyo, No. 1223. November ?, 1921.

London-Washington, No. 490. December 1, 1921.

Regarding the settlement of the Shantung question which is now pending, it is not too much to say that the question is one of the railway and mines. The greatest hope of the Japanese government is that this railway shall be a joint China-Japanese enterprise, which the Chinese government once eagerly desired, but not only is China extremely opposed to this, but the American government and some British quarters are also opposed to it. I think it will be very hard to accomplish our wishes in this respect.

In my opinion, in case this railway is placed on the basis of a joint Chino-Japanese administration, the construction of extensions will never be actually permitted by China, and without these extensions the railway will never be able to display its full power and its value will be limited. This will also have an influence on the prosperity of Tsingtao. If on the other hand the railway is transferred to Chinese control and the railroad administration feel that it is necessary to construct the extensions, the Chinese might take the initiative and construct them.

In case there should be extraordinary difficulty in establishing the system of joint administration, could not the value of the railway and mines

be capitalized and put in Japan's share? In discussion of the railway here, it seems to be thought that it might be wise to reach a solution by offering it to the new consortium.

In the Paris embassy Viscount Kikujiro Ishii was confident that Japan need have no fear of the allies reopening discussion on Shantung in the coming conference, because it might require the revision of the Versailles treaty in which the matter had been unsatisfactorily settled.

Paris-Tokyo, No. 1134, July ?, 1921.

Paris-Washington, No. 256, July 25, 1921,

... With regard to the Shantung question, + think that we absolutely

[Ed. Note. Possibly, need have] no fear. A settlement of this question to

meet the aspirations of China would require the revision of the Versailles

Treaty. In spite of the American reservations, the importance of the effect of a revision of the treaty would require much attention, and it would not be possible to count too much on American assistance. Even the American government Ambassador Shidehara has explained ... already has modified its opposition (?). At any rate, no matter how far a discussion goes, there must be a mutual agreement.....

But on July 26 he discovered that Philippe Berthelot, permanent under-secretary of the French foreign office, favored settling Shantung at all costs, even if it were necessary to revise the Versailles treaty, and was rather sharp about it. This was totally unexpected, for hitherto the French had considered the treaty a sacred cow.

Paris-Tokyo, No. 1165.

July 26, 1921.

Paris-Washington, No. 265.

July 27, 1921

Berthelot has recently been much away from his office, perhaps in connection with the [Ed. Note. Possibly, Silesian] mining (?) affair, and it has been necessary to do business with M. Briand, but on the th twenty-six/I had an interview with Berthelot.

We spoke of the American proposal, and Berthelot said that he had not the least knowledge of the details of the matter, but in any case it was clear that France would not enter into deep negotiations in the matter.

I said that in the Shantung question, Great Britain, France and Italy by force of circumstances were our [Ed. Note. Possibly, allies]. If this question were to be settled in accordance with the wishes of China, it would be necessary to revise the treaty of Versailles. Great Britain, France and Italy could permit this as little as could Japan.

Berthelot replied with a tone of asperity that the revision of the treaty was not necessarily an important matter, and that it also had connections with the question of the League of Nations. The only thing to do was to work for a solution of the Shantung question to the satisfaction of both sides.

th Hitherto the French government has always in the Geneva assembly and in the council of the League of Nations opposed any decision for the least revision of the treaty, and this conversation of Berthelot's took me utterly by surprise. It may be conjectured that France has a secret deep desire to get America to enter the League of Nations even if it is necessary to revise the treaty, so long as no important damage is done to the general interests of France herself.

Public opinion as reflected in the press of England and America differed as to the fairness of the Shantung proposals and as to the desirability of the Chinese

Accepting them in toto. American writers were inclined to be more suspicious and more critical.

Washington-Tokyo, No. 619, September 19, 1921.

~~London-Tokyo, No. 1037, September 2, 1921~~

~~London-Washington, No. 406, September 21, 1921~~

On the sixteenth the Chinese Legation also gave out the Shantung proposals. The Washington Post of September 17 published the complete text of their version and the New York Herald of the same day published part of it in comparison with our version.

Fox of The Post had an article in which he said that, if China approved the provision in heading No. 1 for the respect of vested rights, the principal things now in the hands of the Japanese at Tsingtao such as the wharves, custom house, station water works, docks, hotels, port works would remain in Japanese hands, so that Americans could not trade there without Japanese permission, and instead of the open door there would be a blockade. The proposals spoke of a joint Sino-Japanese administration of the Shantung railway, but various earlier instances of joint Sino-Japanese administration had in fact meant no more than a Japanese monopolistic administration, and, judging by this, the phrase must be called a joke. It was to be hoped that representatives of the powers who were to meet at Washington would on no account tolerate a joint Sino-Japanese administration. In the last clauses there were phrases about agreements to be made later, but China was dissatisfied with this, because it could not tell what proposals for agreements Japan would make later. China therefore hoped to avoid such agreements. In short, China preferred a settlement of the Shantung question by international agree-

ments rather than by Sino-Japanese agreements, and the Chinese delegates at the conference would advocate this. Etc., etc.

The Herald said that the Japanese knew that Foreign Minister Yen would sail for America within two weeks, and could not settle so important a question before that time. Japan therefore expected that China would reject the proposals and that the world would think that China had no reason to do so, and this was the reason Japan made the proposals. In short China was dissatisfied with the proposals, etc., etc.

From the style and character of the articles in these two papers I judge that the Chinese gave approximately the foregoing explanation to the correspondents in issuing their statement.

For your information.

London, - Tokyo, No. 1037.

September ²¹~~22~~, 1921.

London - Washington, No. 406

September 21, 1921

I have not seen any special criticism in the newspapers here on the

subject of the terms of settlement of the Shantung problem, but on the other hand the general impression is one of satisfaction at our impartial and liberal attitude. It is reported in the news columns that the consensus of opinion is to recognize the good faith of Japan, but critics doubt whether we will proceed with the organization of a joint administration of the Shantung Railway and express the criticism that under the pretext of restoration we wish to get control of the railway.

Moreover, in an informal conversation with the chief of the Far Eastern section, he said that, although it was only his own view of the matter, he was doubtful whether the Chinese government could be expected to consent in the matter of the Shantung Railway. Apparently this is the view which prevails in official circles.

The Times article in the accompanying telegram was furnished from this Embassy as the result of a secret request.

(Note.: The Times article referred to appears to be an editorial entitled "The Washington Conference and the Empire" in The Times of September 21, emphasizing the importance of the conference and the wisdom and foresight

shown by Japan in the Yap and Shantung questions. This is part of London-Tokyo cablegram No. 1038 which also has a summary of an editorial in the Chronicle. Cablegram No. 11038 cannot be positively identified as the "accompanying cablegram" in question.)

On the eve of the opening of negotiations concerning Shantung, Masanao Hanihara, vice-minister for foreign affairs and fourth delegate, quietly received the heartening information from Elihu Root that the American delegation had no intention of ^{bringing} ~~bringing~~ up the sore question of the twenty-one demands in the conference and that American governmental sympathy and understanding had constantly been theirs. Yet, as we saw in Chapter 13, Hughes and the Chinese referred to them during January. As to the people at large most of them were merely lukewarm as far as interest in Far Eastern questions. They were chiefly concerned with reduction of armament.

Conference
Washington-Tokyo, No. 128.

December 2, 1921.

~~Washington-Tokyo, No. 129~~ ~~December 2, 1921~~

~~Very much.~~

From Hanihara.

As you know, Mr. Root has been on terms of personal friendship with me and recently also he has exhibited a friendliness subject to no sudden changes, telling me that if there were anything at all connected with the conference which I would like to talk over, he would gladly do so. I expressed my deep appreciation of his kindness. The substance of an interview which I had with him on November 30 is given below.

First I made the ~~promise~~^{promise} that our conversation should be very secret and confidential. Then I stated that the Japanese government attached importance to the Anglo-Japanese alliance and the hope to continue the friendly relations between Japan and Great Britain was only natural. On the other ~~hand~~^{hand} however, the government placed great weight upon her relations with America, and in the instructions given to its present plenipotentiaries it was ~~said~~^{stated} that they must pay special regard to the friendly relations of Japan and America and must work to their utmost to achieve a perfect understanding between the two countries. In this spirit our government would welcome even such a proposal as that of the Japanese-Anglo-American alliance, of which I understood he already had cognizance.

I asked his views on the Balfour-Shidehara proposal. He replied that he thought it excellent, but as yet he had not had time for a detailed study of it, and he was not prepared to state an opinion in regard to its form, wording, etc..

Then Mr. Root said he was greatly pleased that our government was attaching special importance to close friendship between Japan and America, and he stated that America also was attaching importance to Japan in regard to the present conference, and the intention was to devote every energy to the promotion of friendly relations. As a matter of fact, a concrete proposal had at the beginning of the conference been frankly presented in regard to limitation of naval armament; but he thought that ultimately the standpoint of Japan would have foremost consideration. He thought in any case the proposal revealed no animosity on the part of America and aimed to remove the sense of anxiety which must exist on the Japanese side; that to accomplish this America had first of all indicated her resolve to limit actually the power of her own navy, which but made her sincerity clear.

However, Mr. Root's tone gave a hint of anxiety in saying that some argued to the contrary and held that the Far Eastern questions should be discussed first, but this had been rejected and the question of armament

reduction had been put first. He said, with great stress, that if an agreement could not be first reached regarding this question, the conference would end in failure, and in such a circumstance the plenipotentiaries of both Japan and America could not escape the charge of lack of intelligence.

He went on to say that he himself understood fully the Japanese standpoint regarding the Far Eastern question. He said that I must know very well how, at the time of the Russo-Japanese war and the annexation of Korea, goodwill had been expressed to Japan through the offices of Mr. Roosevelt, and the same attitude shown as well on the occasion of the "Gentleman's Agreement" and on the Takahira-Roosevelt agreement. Also in relation to this conference the intention was to employ as far as possible the sympathetic help of the Japanese ambassador. In thinking things over dispassionately he was convinced that there should be no clash between Japan and America and that it was the duty of the people of both the countries to strive for the preservation of friendship.

However, the questions of Shantung and the twenty-one demands had had a very bad effect upon popular sentiment in America toward Japan. This was a fact, regardless of the right or wrong of it, and therefore it was necessary for Japan now to be most careful and to sweep away the ill-feeling. The Chinese, of course, and some also among Americans, were hoping that the question of the twenty-one demands would be brought up before the conference. So far, however, as the American delegation was concerned, the intention was to treat this matter as a historical fact, and not to take it up as a conference question. Therefore I was pleased to be at ease regarding this point; ^{this} but must be kept strictly secret since a difficult situation would be occasioned by any possible leak.

In regard to the question of withdrawal from China, what I had said before the committee on the twenty-ninth fitted the occasion. Of course it was important to make the fact clear that there was no intention of encroachment, politically or territorially. In fact, he himself understood very well that Japan's expeditions to China had reasons corresponding to those of

America's expeditions to Cuba and Haiti, but it was difficult to make this generally known.

I said I thought it would be expedient to make a careful explanation to the public that these expeditions were kept within the smallest limits possible, and as soon as the crisis was over they would be withdrawn. I said Japan would seem to have blundered somewhat in her methods in regard to this point, and I expressed deep appreciation of his kindness in giving his personal advice.

Conference
Washington-Tokyo, No. 129. December 2, 1921.

1. All newspapers of December 1 published fully the official report sent out on the evening of November 20 that direct negotiations between Japan and China were to be opened on the Far Eastern questions upon the basis of appeals made by Hughes and Balfour, and all of them displayed a feeling of satisfaction at the essential points, and published it in leading columns.

Some of them stated that it was a success for American diplomacy, but only The Baltimore Sun added editorial discussion. The communiqué of the news of the first meeting held on the evening of December 1 was made the subject of articles in all papers on the second and there were detailed accounts regarding the history of this question, but from their tone and from impressions gained by the delegates in meeting foreign correspondents, it appears that at present public opinion is focussed on the question of naval limitation and its attitude regarding the Far Eastern questions is, in general, lukewarm.

2. The secretary of state, at an interview with the Japanese correspondents, December 1, laid especial weight on the necessity of not obstructing the progress of the conference by rash speculations upon the friendly relations between the Japanese and Chinese in the Shantung negotiations.

3. The Chinese student organizations here, review the progress of the present Far Eastern conference, and are constantly bringing pressure to bear upon the Chinese delegates, as has already been reported. On December 1, to express their sentiments upon the reports of the course of the conference still more, several score of Chinese students assembled at the offices of ~~the Chinese students assembled at the offices of~~ the Chinese delegation, ~~and~~ attempted to prevent their attendance at the conference, and are said to have uttered various extreme threats.

4. The Chinese published an official announcement on November 30 regarding the Far Eastern questions, making a brief statement of historical points going back to the occupation of Kiaochow^{ow} by the Germans and also the progress of the negotiations with Japan and Japan's passing through the neutral zones. They claimed in it that, as a result of the declaration of war against Germany, there was an abrogation of the treaty and lease of Kiaochow^{ow}. They pointed out that England, Russia, France, Italy, etc. had promised to defend our position in Shantung and that the Shantung question is not simply a question between the Japanese and Chinese governments, but is a question concerning all of the countries which signed the Versailles treaty.

The attitude of appealing to the American public opinion, making a point of the term "secret understandings" is to be noted in this announcement, which is written in a way that appears to abandon the argument which they have previously maintained that the Japanese-Chinese treaty was one made under compulsion and is consequently void.

The above announcement was published in full in The New York Times and other papers, but did not particularly arouse the attention of the public.

This must have been good news to Tokyo, for they were fully prepared to defend themselves in the Washington conference and had, just five days before, primed Shidehara for the presentation of their side and presented a copy of corrected terms

to use. Their fairness and the number of concessions necessary before mutual agreement may be determined by comparison with the final Shantung treaty in Appendix X.

Conference
Tokyo-Washington, No. 57.

November 25, 1921.

It was noted in the general instructions that the decision on the detailed draft of the Japanese Shantung proposal would be given out later on. Lately this detailed draft has been determined on, as given in my accompanying cablegram No. 58. If discussion of the Shantung question takes place in the Washington conference, you will, if necessity demands, explain the standpoint of the Japanese government on the basis of the detailed draft contained in the accompanying cablegram. Also please note the following points in connection with such explanation:

1. The detailed draft in the accompanying cablegram is prepared as something in readiness against the contingency that may arise of having to explain in concrete terms at the Washington conference the fair and liberal attitude of the Japanese government. This is by no means intended to be the substance of terms for immediate negotiation with China (As a matter of course, the terms for negotiation are not omitted from the scope of this detailed draft). Accordingly, when this explanation is forthcoming from Your Excellencies, even though the Japanese terms for negotiation are contained in the accompanying cablegram, please do not make them known immediately to their full extent. In short, with the main object of explaining wherein lies the policy of Japan, please utilize, as occasion demands, only such parts of the draft as you consider necessary and fitting.

2. According to the provision in the detailed proposal concerning the transfer of public property of the former German Empire (including/Ed. Note. Possibly, leased land], property in which Germany invested capital will be returned for compensation. This does not mean that any demand for cash will be made on China in connection with the salt-fields questions, the land question, etc. In these cases it is intended to use [Ed. Note. Possibly, privileges]

as an offset. Our intention is not actually to acquire money from the transfer of the public property. Furthermore, a large part of the public property has been transferred to Chinese.

3. The proposal for joint management of the Shantung railroad (inclusive of the mines) has been advocated for many years by Japan, and was approved by the allies at the Paris peace convention also. Our desire is therefore to do everything possible to carry the proposal into effect, and to strive for the attainment of this object. As you know, the proposal for joint control is also familiar to the American state department. It would seem that not a little discussion of it has taken place among other circles. If perchance Japan should [Ed. Note. Possibly, raise] this question of joint control, and it should appear to result in blocking an entire solution of the Shantung question, some new plan of compromise would have to come under consideration, and in such an event you will ask detailed instructions.

4. The wharves in their technical use are indivisibly inter-related with the railroad. Separate management of them would not only entail great inconvenience and disadvantage for the natives and foreigners using this railroad in their business, but actual conditions are that those wharves in question are used almost exclusively for the loading and unloading of the freight of this railroad.

5. The seeking of a continuation of the salt industry in the harbor of Kiaochow^{ow}, is of course an important question for the many Japanese engaged in the [Ed. Note. Possibly, salt export] trade, and seeking the export of the salt product is a question affecting the daily food of our people. The Japanese government therefore ascribes great importance to them and we should expend every effort to attain our aims. (Please compare the official bulletins on the salt industry which your staff took with them).

Conference

Tokyo-Washington, No. 58.

November 25, 1921.

Disposition of public property.

as a general principle for the transfer of public property to China,
properties acquired from the Chinese government by the former German Empire

to which no additions have been made shall be transferred without compensation;

and properties improved by the Japanese government shall be transferred for compensation
the procedure for this appraisal and transfer shall be negotiated between

China and Japan. Furthermore, although the transfer of public property is
to be compensated, we shall not hesitate to make exceptions to the principle
of compensation in accordance with the good faith of the Chinese in the
settlement of the Shantung question.

- a. Lighthouses, beacons, jetties, seawalls.
- b. Fire prevention and extinction and quarantine installations.
- c. Government offices, public school buildings and official residences
within the leased zone.
- d. Barracks and fortifications.
- e. Roads, sewers, bridges, parks, woods, water works and sanitary equip-
ment.

All the foregoing public service properties shall be managed by China
in cooperation with a committee elected by the foreign residents.

2. Things which the Japanese government will keep.
 - a. Land and buildings for consulate.
 - b. Court house and jail.
3. Things to be transferred to the Tsingtao Japanese Society.
 - a. Japanese schools, public vehicles, Loyal Heart fund.
 - b. Building necessary for the Japanese society, market place,
place for religious meetings, Japanese cemetery, crematory.
 - c. Place for exhibiting goods.
4. Things to be transferred on suitable terms to a new Chinese company
with native and foreign stockholders which will be formed.
 - a. Electric light and telephone enterprises.
 - b.
 - c. Public laundry.

Disposition of lands.

1. Former German-owned land which nationals of various nations have rented and on which they have erected shops or dwellings shall be leased or sold at the option of these tenants. With regard to other land formerly owned by Germany, land which was acquired from China without compensation shall be transferred to China without compensation, and land which Germany acquired by purchase or on which it erected betterments shall be transferred for compensation. We shall not hesitate to make exceptions to the principle of compensation, according to the good faith displayed by China in the settlement of the Shantung question.

2. Lands purchased by Japan which are at present rented and on which shops or residences have been erected shall be leased or sold at the option of the tenants. The land necessary for the Shantung railway shall be transferred to the railway on special terms. Other purchased lands shall be transferred to China with compensation.

3. The methods, terms, etc. of the leases and sales under the foregoing two paragraphs shall be decided by Japan and China.

Disposition of Shantung railway and mines.

1. The Shantung railway and mines shall be jointly operated in name and fact by China and Japan equally. A special agreement shall be made with the Chinese government in regard to the forms of government or private operation.

2. Method of investing.

a. Japan and China shall each invest half of the indemnity decided on by the Reparations commission. Provided that half of the amount of the indemnity fixed by the Reparations commission shall be charged to China.

b. The other investment shall be as follows:

(1). Japanese investment.

(a). Capital investment of the Japanese Government since the occupation (if the Chinese strongly object to passing this as independent Japanese investment, one half can be made a Chinese investment).

(b) Barracks along the line of the Shantung railway.

(c). Land and buildings (including reclaimed land) necessary for the Shantung railway.

(d). All hospitals.

(2). Chinese investment.

Methods of contributing the amount which the Chinese are short to make the Chinese and Japanese capital investment equal shall be negotiated separately between Japan and China.

(a.) If capital is needed in future it shall be contributed equally by Japan and China.

(3). After the lapse of ⁸~~fifty~~ years, the Chinese government may purchase the Japanese interest at a price to be agreed on between Japan and China.

(4). Official personnel shall be chosen equally by Chinese and Japanese. Chinese shall be used as far as possible for ordinary operating personnel.

(5). Mining enterprises on a future suitable occasion shall be separated from the railway enterprise and an independent ~~[Ed. Note. Possibly, operating]~~ company shall be established. The Kin Rei Chin iron mine and the and coal mines shall be sold on suitable terms to Japanese.

(6). Hospitals shall separate enterprise.

(7). The connection of the Tsinan extension of the Shantung railway and the Koojo line with the Shimo railway shall be completed.

Disposition of Tsingtao port and wharves.

1. Port services, quarantine, beacons, etc. in Tsingtao Harbor shall be modelled on those in all Chinese open ports.

2. The following "plan A" will be submitted for the disposition of the wharves. Dependent on the course of the negotiations, "plan B" will be submitted for comparison and it will be explained that in actual operation the wharves and the railway are indivisible.

Plan A. The wharves in the great harbor and the little harbor will be returned to China without compensation on the following terms:

1. The wharves shall be offered to the Shantung Railway as a Chinese investment.

2. A [Ed. Note. Possibly, wharves] bureau within the railway shall operate the wharves and warehouses now under the jurisdiction of a department of the railway.

Plan B. The wharves in the great and small harbors shall be transferred to the Chinese government with or without compensation on the following terms.

1. A wharves bureau shall be established and shall control wharves and warehouse work.

2. Representatives of the Shantung railway shall participate in the functions of this wharves bureau or Japanese and foreigners jointly shall participate in it.

3. Maintenance and betterment of the installations of the great and small harbors shall in principle be defrayed from wharf, warehouse and [Ed. Note. Possibly, loading and unloading] charges and any deficiencies shall be supplemented by the Shantung Railway.

4. The wharves bureau shall not concern itself with the lines of the Shantung railway which enter on the wharves, but the operating relations between the two parties shall be regulated by a special agreement.

5. The warehouses necessary for the Shantung Railway shall be turned over to the railway.

Measures concerning the Tsingtao custom house.

The custom house regime shall be the same as with other custom houses except that we shall demand the use of the Chinese, Japanese and English languages and that the Japanese at present employed shall not be changed for a fixed time.

Measures concerning communications.

1. The post offices in Ire, Tsinan, etc., shall be transferred to China, provided that at the time of the transfer an agreement shall be made between Japan and China for suitable facilities for domestic and foreign communication. The postoffice in Tsingtao shall remain as at present. The wireless at Ts~~in~~an shall be transferred to China on proper terms, but the wireless at Tsingtao shall be kept by Japan.

2. The control of the cables between Tsingtao and Shanghai and between Tsingtao and Chefoo will be given up on the following terms;

a. At the earliest possible date in the future, the Chinese government shall lay a Tsingtao-Shanghai cable.

b. The Tsingtao-Sasebo cable shall be maintained in status quo, provided that a special agreement shall be made with the Great Northern and Great Eastern companies.

3. With regard to telegrams, the measures of 1917 of the postal telegraph administration and the high agreement between China and Japan in 1918 for telegraphic connections shall be revised and abolished.

Measures concerning the Kincho^{ow} salt industry.

1. Already established salt manufacturing enterprises of Japanese on the shore of Kincho^{ow} bay shall be continued.

2. The export of salt originating at Kincho^{ow} bay shall be recognized.

3. The charges on Japanese for the manufacture and exportation of salt shall be fixed by special agreement.

4. Kincho^{ow} bay salt shipped into the interior of China shall be given the same treatment as salt from elsewhere.

The Geisha had worked hard to inform and divert. She earned the respite from the twenty-one demands.

Part V.

Shantung.

Chapter 16.

Choo-choo.

Negotiations between China and Japan¹ about Shantung were conducted during December and January in the presence of British and American observers. Tokyo gave consent for direct negotiations in the presence of the observers on November 29, the same day
(~~that~~ to follow on 29/12/21.)
that final arrangements were made for the first meeting. (Edward Bell and J. V. A. MacMurray were the American authorities on China and Japan, Sir John Jordan had previously been minister to China for England, Miles W. Lampson, ^{later to be} ~~was~~ a member of the League of Nations committee investigating the ¹⁹³² Shanghai and Manchurian incidents, was then a special representative on Chinese affairs from the British Foreign office.)

^{Conference}
Tokyo-Washington, No. 81.

November 29, 1921.

~~Washington-Tokyo, No. 114~~

~~November 29, 1921~~

Urgent. ~~Very confidential.~~

Referring to your conference cablegram No. 82 (Note: Not received), in the spirit of reaching a solution by direct negotiation between Japan and China, and confident in the sincerity of the British and American delegates, there

is no objection to your acceding to their proposal. Naturally if the British or American delegates inquire as to our plans of solution, you will note the instructions in our cablegram No. 57 and will lead the British and American delegates to an understanding of our attitude and our conciliatory spirit.

You will add that in the detailed instructions to the delegates of the Japanese government it is stated that Japan cannot agree to an examination and decision of questions of this kind in the conference, but the Japanese government ardently desires that the Shantung question, which has produced one misunderstanding after another, shall be settled at the earliest possible date, and that thus a serious source of trouble between Japan and China may be eliminated.

Confidential
Washington-Tokyo, No. 114.

November 29, 1921.

Secretary of State Hughes requested Plenipotentiary Delegate Kato to call upon him at 5 o'clock on the afternoon of November 29. Balfour was also present.

1. Hughes said that, after consultation with the Chinese delegates regarding direct negotiation of the Shantung question, he had ascertained that China had no objection. To this Plenipotentiary Kato replied that he had just received a cablegram from his government regarding this matter and that he was authorized to come to a decision by direct negotiations as suggested by Hughes and Balfour. He added that it was the earnest desire of his government to come to an immediate decision in this matter through the kind offices of Hughes and Balfour. He expressed thanks for the friendly attitude of both.

2. Hughes went on to say that since such was the case, it appeared that the first meeting could be held at 3 o'clock on the afternoon of December 1, in the Pan-American Building. Those to attend would be the three plenipotentiary delegates and in addition three subordinate officials would also be allowed to be present. He asked whether there was any objection to this arrangement and

Plenipotentiary Kato replied that there was not.

3. Hughes then went on to say that he and Balfour would attend the first meeting, and after explaining the circumstances leading up to the meeting of the Japanese and Chinese representatives would then withdraw. Later, Bell, formerly chargé d'affaires in Japan, and McIlurray, chief of the far eastern division, would attend for the United States, and Jordan and Lampson for Great Britain. ^(out) They would, of course, not be there for the purpose of participating in the discussion unless they were especially requested to do so by the Japanese or Chinese representatives. This arrangement would do away with any suspicion that might be incurred by the Chinese from outside, and it would be advantageous for the British and American governments to be informed of the progress of the negotiations. He asked Plenipotentiary Kato whether there were any objections and the latter replied that there were not.

The delegates from China were to be Alfred Sze, ambassador to the United States; Wellington Koo, ambassador to England; Philip Tyau, general secretary of the Chinese delegation; Dr. Wang Chung-hui, chief justice of the Chinese supreme court; Hsu-jen, clerk of the Bureau of foreign affairs; Chow Tsu-ch'i, former minister of finance; Kuo and General Wang.

At various times Baron Tomosaburo Kato; ^{at} Kijiro Shidehara; Manihara; Katsuji Debuchi, and Sadao Saburi ^{at} counsellors of the Washington embassy, Eiichi Kimura and Tohio Shiratori secretaries of the foreign office; and H. Saito were to appear for Japan.

In the opening encounter there was complete agreement on the return of Kiaochow, the opening of Tsingtao as a foreign port, the return of German public property of

to China, the extension of German rights for financing railroad construction, except the trunk line, to the international consortium, and the operation of the mines as a joint enterprise.

There was partial agreement on Japanese troop withdrawal as soon as Chinese police were ready to step in, on dividing the shares in the Shantung railway equally with China and indemnifying the German private investors, and the renunciation of Japanese rights.

But they differed stiffly on the questions of the Japanese surrender of the salt works at Tsingtao, the division of railway profit under Japanese operation with China, the return of all Tsingtao cables and wireless to China, the opening of Chinese inland cities to foreign residence and trade, the appointing of a commission to settle details, and the return of expropriated land.

The question which created a deadlock twice in the Sino-Japanese discussions and which threatened to overflow and wreck the harmony and success of the Washington conference itself was that of the Shantung railway loan proposal. Both parties stated their positions in the second meeting. The Japanese claimed that less than one half of one per cent of Shantung, two hundred square miles in all, had to be restored to China, that the notion that they had overrun the whole province was a gross misconception.

At the fourth meeting on December 5 Japan agreed to waive any preferential

rights with regard to foreign assistants in persons, capital and material as granted the Germans in the Sino-German treaty of March 6, 1898. On this question the Washington plenipotentiaries were conciliatory throughout, favoring the accession of China's demands. As early as December 6, they proposed to Tokyo a compromise plan for the Shantung railway.

Washington-Tokyo, ^{Conference} No. 150. December 6, 1921.

Urgent. ~~Very Confidential.~~

You are familiar with the course of the Sino-Japanese negotiations on the Shantung question from our successive cablegrams. We have already had three meetings in which we have displayed our sincere wish for an early solution and we are working with the answers and explanations which the Chinese demand. It is impossible as yet to form a firm idea of the good faith and the eventual attitude of the other side, but so far they are avoiding complicated discussion of treaties and other legal questions and working as far as possible to redeem their own dignity, and, from our observation, we think that they may be desirous of finding some basis of compromise in order to secure a practical solution of the question.

On the other hand we consider that it is necessary to improve Sino-Japanese relations by finding a harmonious solution of this question, and, judging by our experience so far, a solution would also improve Japanese-American relations. During this conference the condition of China has become clear and at the same time the fairness of our attitude has become generally recognized. This favorable opportunity should not be lost. It would certainly be advisable for us as soon as possible in a spirit of concession to throw away the past history of this question and make concessions, and, on the basis of these concessions made with a good grace, to demand a quick settle-

ment of the question.

Especially since the British and American observers attending the negotiations have watched the whole course of the discussions, and have been able to understand without doubt our good faith, and at the same time the Chinese have so far only indulged in vague talk and temporizing expedients, this should not be hard. We therefore think that it would be opportune to proceed with the policy of using this opportunity to agree here quickly on an outline plan of settlement and to leave the details for discussion and settlement at Peking or Tokyo.

On the other hand, as you know from the general situation of the conference, it is to be expected that the conference may be brought to a conclusion with a sudden energy accompanying the decision of the navy question. It is reported that the French delegation expect to leave here about December 14 or 15 and perhaps may not come back to the United States. Considering this and that circumstance, we consider it extremely advisable and necessary to push the Shantung question to a solution as quickly as possible.

Now the knottiest point in the question of the disposition of Shantung is the proposal for the joint administration of the Shantung railway. Not only did the Chinese delegates in our second meeting express and emphasize opposition to joint administration, but, as you are aware, from the first the United States also have refused their approval to it. Judging also by the remarks of the British Secretary reported in our cablegram No. 130, these two countries are not favorably impressed by our joint administration proposal, and, perhaps, if the negotiations come to a standstill, the British and Americans may not limit themselves even to proposing a compromise plan supporting the Chinese contentions.

On the other hand, when we consider the matter maturely, the attempt to carry out in fact as well as in name a thorough joint administration would be attended with not a few practical difficulties. Thus as in the example of the, the putting of Japanese and Chinese in practically the same

positions not only increases expense but blocks the smooth and harmonious movement of the work, and there is no reason to expect good results from it.

We therefore think it is advisable not to persist in nominal questions, but rather to adopt the policy of throwing away the name and keeping the fact, and to facilitate the solution of the whole question by not refusing, as circumstances may demand, to withdraw with a good grace the joint administration proposal. We earnestly hope that you will consider this and will ask for a decision by the cabinet council.

In view of your cablegram No. 57, we suppose that you may have an alternative concrete plan to substitute for the joint administration proposal, but we tentatively suggest the following:

1. To make the railway (including mines) entirely Chinese.
2. To make the indemnity determined on by the Reparations commission and the capital invested by the Japanese government since the occupation a long-term interest-bearing loan.
3. To lay down suitable terms imitating the provisions of other railway loans stipulating during the life of the loan for the employment of Japanese as operating, technical, accounting and mining^m officers, etc.
4. To make the mines, wharves and warehouses subsidiary enterprises of the railway.

The foregoing is of course only an outline, but the intention is to leave the details and other questions to decision at a later date. The only thing we have in mind is in this way to show the Chinese our sincere desire to reach a decision, and, on the other hand, in accordance with the trend of the conference and especially the change in the attitude of Great Britain and the United States toward this question, to make a change in the situation and facilitate a speedy conclusion of the negotiations.

We request an early reply after you have thoroughly noted the foregoing.

It wasn't until the ninth meeting, however, on December 10, that Japan agreed to give China control and administration of the railroad. ^{At} The next meeting China offered to reimburse Japan, who had to pay the German citizens 53, 406, 141 marks for the railroad, 5,350,000 marks for the coal mines and 234,859 marks for the iron mines. China generously agreed pay even more. The eleventh chat was utilized in discussing the valuation of the property, who should assess it and how the payment should be made.

December 14 Japan expressed a desire to retain a financial interest in the railroad by wishing payment in the form of a loan and the lapse of nine months before the return of the road. China on the other hand wanted it returned in six months and wanted to pay cash for it. The value was said to be \$15,000,000, American. The Washington delegates explained their loan proposal as one advanced to prevent the Chinese breaking off negotiations and shifting the responsibility to the Japanese.

^{Conference}
Washington-Tokyo, No. 232.
^

December 15, 1921.

~~Washington-Tokyo, No. 232.~~

In the Shantung negotiations the solution of the whole question will be determined by what disposition is made of the railway, and, as a result, the Chinese attach great importance to it and I think that it is doubtful whether they would accept any advice which might be offered by the British or Americans. In the meeting of December 13 the Chinese pressed insistently for an early solution of the railway question, and showed a determination

to break off the negotiations unless we assented to this. On the other hand a survey of the progress of the negotiations up to today shows that the views of both sides are gradually drawing closer in regard to most items in our proposal and it may be supposed that, if we go one step further in our attitude of compromise, a generally satisfactory solution may be attained, and this satisfactory solution will be hastened in accordance with the solution of the railway question.

If we split with the situation as it was on the thirteenth, our position would be very undesirable. If we merely criticize the Chinese proposals and wish to postpone discussion of the railway question, the Chinese delegates, who are secretly worried about escaping responsibility, might be expected to take advantage of the opportunity to bring about a rupture of the negotiations and shift the responsibility to us. We were thus led to propose the loan plan in the meeting of December 14 as an entirely tentative proposal. Of course this was offered as our unofficial proposal which might be recommended to the governments of the ~~two~~ countries. Unless both sides accepted this and went on to other questions as we requested, and a solution of the whole question was secured, the whole plan would fall. From the present situation we thought it ^{the} best policy for advancing the negotiations "to show our spirit of concession and fairness and then make them yield on other questions in consideration for this. We therefore took this course, for which we request your approval.

After the adjournment, the British observers were observed probably urging on the Chinese delegates that there was nothing else for them to do than to accept our loan proposal.

(space)

When China volunteered to pay 59,000,000 gold marks for the Shantung railroad and improvements in the thirteenth parley, Japan wanted to retain a cooperative interest in the road by receiving payment in the form of a thirty to forty year loan.

Tokyo was said to favor this form of sale. China wished to finish payment within two or year years, but Japan feared discrimination. She was villing, however, to turn over the railway and the shipping docks at Tsingtao for the cost of the improvements.

In the fifteenth session December 17, Japan rejected the short payment plan, but reduced her loan plan to twenty years. China originally wanted to conclude the sale in three months through a Chinese banking consortium. Shidehara and Hanihara advised Tokyo to accept ²⁰China's cash offer or a very short term loan in preference to mediation to prevent an impasse or seeming petty.

Conference
Washington-Tokyo, No. 255.

December 19, 1921.

Urgent. ~~XXXXXXXXXX~~.

The Shantung negotiations have from the first been liable to come to a standstill over the question of the disposition of the railway, and although we have already had some fifteen meetings, they have ended finally in no more than the Japanese and Chinese exchanging the same arguments back and forth. After this unless we devise some decisive policy to make a change, we will reach a situation of having no way of going ahead.

The Chinese delegates have from the first persisted in their contention for buying the railway and they display an attitude of not budging a step. They are apt to wish to leave the conference and run away from responsibility. Great Britain and the United States are looking on, hoping for an early solution of these negotiations and worrying about the delay in the conference committee on Far Eastern questions also, and at the same time China is taking the policy of placing the blame for the collapse of the conference on us. At this juncture, today when we are solving perennial difficulties, clearing

away the distrust of the powers, and gradually with great effort producing a good understanding of the position of Japan, we are sure that the display of a fair and generous attitude in all the relations of Japan with China is the best policy and is a golden opportunity to establish on a good basis the international political position of Japan.

We are displaying an attitude of concession so far as it does not conflict with your instructions, and we have been working for the continuance of the negotiations with China, but now, unless there is some concession which is different from the fundamental principle of the railway question, we are in the position that there will be nothing to do but to stop the conversations. We have reached the point where we can draw out the negotiations for one or two days, but at the end there will be no way out except to break off the negotiations or to ask Great Britain and the United States to mediate.

On the other hand, if we consider the attitude of a country holding a middle position among the nations at the Washington conference, and especially the attitude of Great Britain and the United States, which we have just mentioned, viewed at least from the standpoint of a third party, the question at issue is whether the price of the railway shall be paid in cash, in treasury bonds or in a loan with conditions attached. Be the attitude of China what it may, for Japan deliberately to break off negotiations on account of this issue, which to outsiders would seem frivolous, would not be considered the magnanimity of a great nation. There is no doubt that it would leave a bad impression on the world in general and, of course as a question of the moment, it would have a very disadvantageous effect on our position at the Washington conference. We think that it would be very bad for the general situation.

On the other hand it would also be extremely undesirable to ask Great Britain and the United States to mediate. Assuming that we yield a point and do ask them, in view of the history of the railway, men who

know the situation will have more or less sympathy with Japan, but if, when China offers quick payment, Japan rebuffs this proposal and forces a loan on people who have no use for a loan, it will be considered from an ordinary point of view a weak point in the Japanese case.

It is therefore necessary to stand the hardship, make further concessions, and, calculating from considerations of the general situation, to solve the question at the earliest possible day. Especially it is feared that the situation in the senate beginning with the Lodge faction which has expected a solution of the Shantung question will become worse depending on what solution is reached, and may return to the position where it will have to vociferate its opposition as before.

If, after all, it is absolutely necessary to settle the Shantung question, we must regretfully be prepared to choose one of two propositions, either to cede the railway for a cash payment, or to make a short time government loan with certain conditions. It would be better to settle the matter here ~~for~~ the moment with quick cash payment and avoid the uproar of the Chinese people after the conference. If China with no strength for foreign loans could pay, it could not be helped, but in case it is impossible to pay, China would have to appeal to a new loan contract and we could wait for a favorable opportunity to secure advantageous terms.

As has been said, the conference committee on Far Eastern questions will be delayed until this question is settled, and all the powers are awaiting a solution at the earliest possible date. In this situation, with each day of tardiness, the atmosphere becomes more disadvantageous to Japan. We request an early reply with instructions when you have considered the foregoing facts.

In a spirit of compromise the next session the Japanese offered a ten year redemption loan by her capitalists, negotiations to be completed within six months of the signing of the agreement. At the seventeenth encounter December 20 a deadlock

occurred that lasted until January 4, 1922. It was presumably a recess for the Japanese to receive further instructions from Tokyo.

But the impasse was this: The price was reduced to 32,000,000 gold marks plus cost of improvements less an amount for depreciation. Japan wanted payment in the form of a twenty-year loan with an option for redemption after ten years and the employment of a Japanese chief engineer, a Japanese accountant, and a Japanese traffic manager during that time. Moreover, she wished \$32,000,000 Chinese deposited at once in a neutral bank. The Chinese, on the other hand, were willing to agree to a ten year loan with privilege of redemption after three years and offered to appoint Japanese as associate officers for the three coveted positions. The Japanese finally assented to a five year option, but refused to concede a twelve year compromise loan, and so they adjourned.

One rumor had it that the Japanese diet would refuse further concessions, another that the Japanese would accede to the Chinese demands in every respect, but their own desire for a foreign traffic manager. On January 4 the delegates met at Japan's request. The latter suggested a twelve year loan with a three year option, but insisted on the three desired positions for Japanese. The next day China rejected this new offer, wished to seek mediation, and to pay by cash or by means of a Chinese floated loan.

In the twentieth meeting China repeated her stand of the day before, the Japanese retreated to a fifteen year Japanese loan redeemable in five years after

six months notice and insisted on a Japanese traffic manger and a Japanese account-
ant, thus reaching another impasse.

In four successive messages the Japanese delegates with one dissenting voice,
Tanaka's, pled for concessions on the part of the home government to prevent a
break in the Sino-Japanese relations and the subsequent evil opinion of the world.

^{Conference}
Washington-Tokyo, No. 275.

December 23, 1921.

Reviewing the general situation concerning the Shantung question, in
the first place the Chinese delegation had the policy of relating this
question with the question of the so-called twenty-one demands, taking advantage
of the general unfavorableness of world opinion to Japan, presenting the
question to the present conference and securing a solution of it as a matter
of general international concern. Hughes, however, was apprehensive that
a discussion of this matter in the main conference would disturb the at-
mosphere of the conference, and worked together with Balfour to transfer
this question outside the conference. He finally melted the Chinese delegates,
and direct Sino-Japanese conversations were opened.

The Chinese delegates were despondent at the miscarriage of their
original plan and have also been under constant pressure from the Chinese
students here who are in communication with the anti-Japanese newspapers in
China. They have been almost ready to resign as delegates and it is gathered
that they have been watching a favorable opportunity to make the conversations
end in failure. It happened that they perceived that the proposal for joint
administration of the Shantung railway aroused considerable opposition in
Europe and America also, and they put all their strength into opposing
that plan, claiming that, if Japan persisted in the joint administration
proposal, it would be useless even to discuss other questions. At the session
of December 13 the conversations were brought practically to the verge of

rupture. Actually on that day the British and Americans finally changed the color which would have been inferred as a rupture. We proposed that we meet again the next day and the Chinese delegates saw that it was unavoidable and were with difficulty satisfied.

This delegation were convinced that a suspension of the direct negotiations would be most disadvantageous for the general situation. In the session the following day while reserving the joint administration proposal as the proposal of the Japanese government, they announced at the same time that they would not hesitate to give special consideration to any proposal which might be substituted for it, and, without binding the Japanese government but simply as the tentative proposal of the Japanese delegates alone, they proposed the railway loan plan and thereby broke up the danger of a rupture of the negotiations.

The general progress of this matter has been reported in our successive cablegrams, but it is impossible to report all the details of the situation in this way. We believe that day by day in discussions three hours long our delegates have to the utmost possible limit politely reiterated and emphasized all the arguments which would make the Japanese contentions clear, and we are inexpressibly humiliated that after almost twenty days of continuous consideration of the Shantung railway question we have not yet seen the establishment of an understanding.

On the other hand, when we hear the impressions of the British and American observers who attend the meetings, they well understand that it is absolutely inevitable, as explained by the Japanese delegates, that Japan in view of her history since the Japanese-German war should wish to preserve some degree of economic advantages in the Shantung railway, but, if China wishes to pay cash, it would be forcing a loan on people who do not wish a loan. If this should later become an object of discussion in the newspapers of Europe and America, it would give a rather good pretext to China. It was also said that there was reason in the Chinese wish to make a combined system out of the Shantung and the Shimo railways, but foreigners are not employed

as chief traffic manager and chief accountant of the Shinko railway and it is feared that the Chinese will not readily consent to make an exception in the case of the Shantung railway.

In any event, this delegation has already exhausted all arguments which it considered might be influential for us, and today it is useless to continue longer to repeat the same arguments. We are convinced that choice must be made of one of two alternatives, either now to break off negotiations on the Shantung question, or else to make a settlement of the railway question based on the various concessions to which the Chinese delegates have heretofore consented.

If we break off the Shantung negotiations, it will have an extremely important effect on all our foreign relations and, as it will be a great blow to the success of the present conference, it is feared that it will naturally set back the trend towards better feeling on the part of Americans in general towards Japan which has recently been conspicuous.

The concessions to which the Chinese have heretofore consented are contained in the alternative proposals of (1) cash payment and (2) treasury ^{to} notes, the text of which is given in our cablegram No. 269. Under the treasury notes plan, the rights concerning the Shantung railway kept by Japan will be to have the treasury notes secured on the railway receipts for twelve years under ordinary circumstances or for three and one half years (including six months for warning) in case the option of a short time payment is used, and to have a Japanese engineer employed during that time as district engineer on the Shantung railway. These two points are all, and, even if we secure the employment of the engineer of the present railway administration, there will be no particular good results.

In view of the situation which has been described, this delegation after exhaustively considering every possible aspect has concluded that the best policy in the present circumstances will ^{be} to accept decisively the cash payment proposal. In view of the great sacrifices through which the Shantung railway came into our possession, this will be hard for popular feeling to stand, but

there is no room for doubt that the continued delay of the solution of the Shantung question is having an extremely bad effect on our foreign relations in general. We have therefore come to the conviction that it is most urgent to use this opportunity to settle the matter quickly, and we regretfully feel that other than this there is no suitable method which has any prospect of success.

Viewed from the point of view of the powers, we think that in consideration of the circumstance of the peculiar character and history of the Shantung question, our international prestige will not be impaired no matter how generous an attitude towards China we may display.

There will be some question whether or not China can really carry out cash payment, but, in case she cannot do this, then and then only shall we be able to induce her to conclude a loan contract on favorable terms.

We request urgent instructions.

Washington-Tokyo, ^{Conference} No. 280. December 26, 1921,

Urgent.

Our views for the settlement of the Shantung railway question as given in our conference cablegram No. 275 were the result of careful study devoted to the matter by this delegation, after perceiving conditions in the four countries, and with an eye also to the effect this question would finally have upon the whole aspect of our international relations.

The fact is that, so long as we have no progressive proposal for changing the situation at this time, there is no longer hope of making any advance in the discussions. In the conferences we have times without number reiterated our reasons for the difficulty we find in agreeing to the Chinese claims. Consequently we believe, if we do nothing but repeat the same explanations, the proceedings will only come to an immediate standstill, and, if this question should by any chance not come to a settlement, the impression made upon the British and Americans, through whose kind offices and trouble the direct

negotiations between Japan and China were opened, would not be at all favorable.

The British and Americans know perfectly well that China has no powerful men who can be relied on to cope with this critical situation. In case settlement is impossible, we, rather than China, will regret not having felt due concern over the wider issues, and we fear there may be tremendous disadvantages to our position in the future. We beg you to give these points your consideration in advance.

From Tanaka,

December 29, 1921

To Chief of Staff, Tokyo, ①

Conference No. A 34

... With respect to the Tsingtao question, the Japanese-Chinese negotiations, as a matter of pure form, are direct negotiations between the two countries; but here at Washington it is the treatment of one of the items of the agenda of the conference. Until there is a settlement of the Tsingtao question, the discussion of the Far Eastern questions is at a standstill. The Chinese plenipotentiaries count upon American support and make insolent answers to every question which comes up. I suppose that you are familiar with the details and I refrain from recounting them, but I am sure that there are many regrettable points. I think that a further heaping up of small concessions will be a serious matter for the national dignity of Japan. Therefore, recently, when it has been said that instructions to suspend the negotiations have been received, I have thought that this course was very proper.

For the rest, the efforts of Great Britain and the United States to attain some solution by taking the role of mediators are a natural development. At any event the mollification of the American authorities and people is a matter of course and, because they have not felt sympathy with the pre-announcements, it must be expected that we shall make the Japanese standpoint clear, but it is extremely inexpedient to hesitate merely on account of the feelings of other countries.

December 30, 1921.

1. According to the impressions gained as a result of the contact of our delegates with people here from every quarter, the break in the Shantung negotiations has not stopped at the result of bringing the settlement of this question to a standstill, but the inevitable course of events is the important and close effect exerted upon the success of the entire conference and the status of our international relations.

That is to say, from the American side, in view of the way in which popular sentiment has been stirred up by frequent declarations that this conference would have the result of eliminating the causes of unrest in Far Eastern and Pacific quarters, supposing that the Shantung question, everywhere considered the great bone of contention between Japan and China, ends in not being settled, then the position of the American government will be difficult when finally the Four-Power treaty and the various matters which the conference will have agreed upon are submitted to the senate for discussion. Despite such fiercely anti-Japanese arguments as were formerly professed openly by Lodge in regard to the Shantung question, his attitude since the opening of this conference has suddenly changed and has shown marked friendliness toward us. Yet, if, on account of the breaking off of the Shantung negotiations, trouble is brought upon the position of the Republican government, it is open to very great doubt whether or not Lodge's friendliness to us would continue. Whatever he does do, it has ever and again been privately reported to our delegates that he lays great emphasis upon a speedy settlement of the Shantung question.

My cablegram No. 299 related Balfour's grave concern in his belief that this standstill in the Sino-Japanese negotiations will cause trouble in the progress of ratification of the Four-Power treaty by the senate.

2. In the first place, in regard to the opening of negotiations between China and Japan, while there was among the representatives of Chinese associations and students now assembled in Washington a strong opposition

movement on foot for resignation, at the same time the Chinese delegates received advice from both Hughes and Balfour, which they unwillingly complied with. Therefore, if at this time there is an announcement from us that negotiations are broken off, the Chinese delegates will consider themselves released from their responsibility to Hughes and Balfour. Though we on our side publish the utterly unavoidable circumstances and make it clear that the responsibility for the break in the negotiations does not lie with us, we believe, in short, an open avowal of the breach between Japan and China will certainly not receive sympathy in the minds of the European and American public, and that it will not cause our international position to be enhanced.

Moreover, both Hughes and Balfour agree in the opinion that, while China proposes immediate payment as her terms of acceptance for the transfer of railroad property, our rejection of this and demand for a loan will be disadvantageous to us in the mind of the American and European public. They both say that, in spite of that fact that our claims in regard to this point are not unreasonable, there is no time to study into all the details and private circumstances of the case and there will be practical difficulty in trying to make the general public understand.

3. It is in view of the above circumstances that the Japanese delegates have in their relations with Hughes and Balfour been making them private reports through informal channels of the decisions of the Japanese government, and at the same time in their relations with the Chinese delegates have been postponing the announcement of the breaking off of negotiations and awaiting developments in the situation. Since such is the case, we can only beg you to have special sympathy for the anxiety to which the Japanese delegates have meanwhile been subjected.

4. According to your cablegram No. 238, you warned our delegates against going too much into detail in such matters as the method and time limit of cash payment. However, unless in the first place, both in the case of our

railway loan proposal and the Chinese proposal, a² exchange of opinion is effected in regard to the outstanding features, it is only reasonable that the Chinese will feel dissatisfaction. It is actually the case that the Chinese regard us with a sense of entire suspicion and therefore, if we stop at an indefinite railway loan proposal, even if we ask to have confidence placed in Japanese good faith, when it comes to a matter of loan terms, to the Chinese this will appear as if they were thereby being asked to sign a piece of blank paper, and this would deepen their suspicion more and more. It would not serve to advance one step further the actual settlement of the question. The British and American observers who have been attending the meetings are under this same impression.

Particularly in regard to the question of time limit, both Hughes and Balfour consider the suggestion that besides the date of maturity of the loan there shall be proposed as well a short-dated special redemption period, a very important point in facilitating the settlement of the question. Their agreement in views has already been cabled to you.

Also after discussing the whole range of the above particulars on the floor of the council on Japanese-Chinese negotiations, we have ascertained on the whole the substance of the Chinese proposals, and we feel that the Chinese in making the particular claim for immediate payment are only making a false show of strength. Accordingly we made it our aim to prove this point clearly, and when we considered the Chinese reply unsatisfactory, we announced there was nothing else to do but revert to the proposal for joint railway control or the railway loan proposal, based on the spirit of heretofore. These circumstances reservations which we had constantly made/~~these circumstances~~ have not formed a rule in any way for our future actions.

Confidential
Washington-Tokyo, No. 370.

January 7, 1922.

Very Urgent.

Discussion of the remaining Far Eastern questions has lately been closing

with great rapidity, and will substantially be concluded within a week. At the same time, discussion of the Shantung question is becoming more and more rife, and especially reports that the Japanese government persists strongly on its railway loan proposal and will not yield a step appear to excite marked interest among people here.

Hitherto the impression has been widespread in the countries of Europe and America that the Shantung question is, as it were, a reflection of the aggressive policy of Japan towards China and the principal cause of uneasiness about the international political situation in the Far East. Leaving aside for the moment the right or wrong of this, it must regretfully be said that there is nothing to do but to consider it as a fact. Although this question was being discussed prior to the conference, it is indisputable that it was generally considered the most important among the Far Eastern questions. Since the conference met, the disorderly condition of China has gradually attracted the attention of public opinion in Europe and America, and, in view of the actual situation that China has no central political power and is incapable of settling questions with responsibility, the general public is led to place all its hopes of a solution of the Shantung question on the generous attitude of Japan in every successive detail.

The Chinese authorities have a tendency to let the question go unsettled. If, under these circumstances, the Shantung negotiations should be broken off, the very favorable impression which Japan has made on the Washington conference and on the world in general would be entirely overthrown, and, in consequence, a serious effect would be produced on the quadruple treaty and all the decisions of the Washington conference.

As I have cabled on previous occasions, this is the cause of much real anxiety to Hughes, Balfour, etc.

Your cablegram Nos. 266 and 279 say that Premier Liang assented to the loan and joint-administration railway proposal and that Foreign Minister Yen confirmed the words of the premier, but the Chinese delegates at Washington on December 26 (after Shidehara's conversation with Hughes that same day),

in reply to questions asked by the Americans, are said to have stated that the clear instructions which they had received were not to accept anything except the proposal for payment in treasury notes. As our instructions positively state that the railway loan plan is our extreme concession, we considered that the negotiations must inevitably be brought to a standstill by this. Since this was no longer possible to avoid, we were prepared for it and expected it in the meeting of January 6, but, as it was clear that something vaguely described as a railway loan plan would invite suspicion on the part of European and American public opinion, we considered it absolutely necessary to specify the important concrete terms of the railway loan proposal in order to make the public understand the fairness and liberality of our claims. This was the reason for our action reported in cablegram No. 361 (Note. ~~3-7-22~~ - minutes of the session of Shantung negotiations of January 6.).

Since then, the Chinese delegates are apparently soliciting the mediation of Hughes and Balfour. It is hard to conjecture what attitude these two gentlemen will take, but, in view of the situation which has been described above, they will see that the situation cannot be ignored and will without publicity make some suggestion to us. We therefore think that in the end there will be nothing for us to do but to make a final settlement substantially in accordance with one or the other of the two following plans:

1. In exchange for the acceptance of China of the proposal for a loan railway, a condition of this would be that Japan should agree to a number of concessions, for instance, with reference to the term of the loan and the special redemption period, the Chinese counter-proposal would probably be 22 years and three years respectively. With reference to the Japanese nationals to be employed in the railway, some method would be devised properly to save the face of the Chinese, either by permitting only a traffic manager or by the pretext of assistant traffic manager and assistant accountant.

2. In exchange for the acceptance by Japan of the proposal for payment

in Chinese treasury notes, the Chinese would agree substantially without change to the conditions protecting Japanese interests in the railway which were proposed as the conditions of a Japanese loan.

We conjecture that the foregoing will not escape the censure of a part of Japanese public opinion, but we feel that, in view of our general international situation, the facilitation of the settlement of this question by a decisive move on our part is absolutely inevitable. In the light of the present situation of the conference negotiations as described above, there might be a sudden change in the situation and there would be no time to wait for your cable instructions on each point, and, without binding the government, it will be necessary to proceed with ad referendum decisions as the situation may require. Therefore, it is our earnest hope that you will agree to the tentative measures taken by the Japanese delegates in accordance with the above plan for a final settlement.

On the afternoon of January 7 upon the occasion of a chance meeting with the secretary of state, he said that he anticipated an interview that evening with the Chinese delegates. He continued that the deadlock of the Shantung negotiations was an unfortunate circumstance, but that, when observers contrasted the claims made by both sides, the differences did not seem essentially important. He repeated that the only thing to do was to devise some means of solution at once by having both sides make concessions.

(spec)
Tokyo, after a series of minor concessions, was adamant and stiff-necked to the breaking point before her final compromise. The first one was made December 10 when she instructed her delegates to consent, if necessary, to turning over the railroad to China, but only as a last resort. This was not to be settled until all other disputed points of the Shantung settlement had been agreed upon and was to be used to block agreement in the Far Eastern conference to force the Chinese

to consent. ² (The railways are unidentified, but it is known that the main line from Peking to Nanking was in part controlled and operated by the British, and that the Yunnan railway was owned by the French.)

^{Conference}
Tokyo-Washington, No. 151.

December 10, 1921.

~~Very confidential.~~ Very urgent.

Referring to your conference cablegram No. 150, As you are aware from our conference cablegram No. 57, we have no intention of going to extremes in persisting in the proposal for joint administration of the Shantung railway, depending upon the status of affairs in the Washington conference and upon what may be to our advantage in the general situation. We, too, have a plan for the settlement of the question of the Shantung railway following the same general lines as that contained in your conference cablegram No. 150. We have noted your successive cablegrams and the government, after thorough consideration, has finally decided to effect a solution of this question substantially as outlined in the proposal for a settlement contained in your conference cablegram No. 150 mentioned above, according to the policy outlined in the following articles. The attitude of the Chinese plenipotentiary delegates is, in short, that, feeling anxiety about the ^{present internal situation in} attitude of the British and Americans, they are chiefly concerned in saving their own face. Consequently, they may not be especially anxious to further the progress of the negotiations. It may be that the only thing we can do is to get them to accept at least the general proposals in the negotiations at Washington and later, as may be expedient, to reach an agreement about details.

China and the (1) In your conference cablegram No. 130 in the opinion of Lampson, the whole value of the Shantung railway should be converted into a Japanese capital loan and the railway should be operated as a "loan railway", following the same procedure as in the Shimo railway. The method for guaranteeing

this loan would be to place Japanese in the railway.

According to the loan contract of the Shimo railway, as you are aware, only Europeans are employed as engineers and only foreigners used to take charge of accounts and operations, but this is only a question of fact and does not constitute a guarantee of the loan contract and also their position and degree of authority is very unsatisfactory. Although the railway property is offered as security for the loan, this is the most unsatisfactory among Chinese "loan railways" to foreign capitalists. (Flint)

~~The following~~ The following Chinese railways according to the China Year Book, 1930 were under foreign control in 1921: British, ~~the~~ Sinyang-Pukow and Nanking-Hunan; French and Belgian, Tatung-Chengtou; American, Szechwan-Hupoh; German, Kaomi-Ichow-Hanchow and Tsinan-Shuntah; Siems-Carey (American), 1. Hengchow-Yungchow-Chuanchow-Kweilin-Linchow-Tsienkiang-Kueihhsien-Chinchow, 2. Choukiakow-Yencheng-Nanyang-Siangyang, 3. Sinyangchow-Yunyang, 4. Yunyang-Hanchung).

The Cmt Ful railway and the Fpq Alu railway under British control, however, the Fht Fst railway under French control, the railway with which the American firm of Siems-Cary^e are connected, and the Belgian railways, Fpv Kbd and Bha Dqj, are all operated by loans secured by the railway property and revenue, and all the officials in charge of accounts and operations are subjects of the countries concerned. ^{2 (Flint)} (In the case of the Americans, the nationality of the officials in charge is not specified in the agreement, but, as all recommendations are made by the Siems-Cary^e company, I naturally suppose there is no doubt that Americans will be employed).

In view of the connection which Japan has had with the Shantung railway, we can by no means consent to follow the example of the worst Chinese loan railway, but we wish to take as a standard the practice followed in the railways mentioned above. When we follow the example of the railways under the control of the British and Americans as indicated above, I do not think that there is any reason which the British and Americans can bring up to stand in

the way of our reasonable claims.

(2) Judging by the recent history of the negotiations in the Washington conference between the Japanese and Chinese about the Shantung railway, it is hard to see how we can go so far as to present to the Chinese in the immediate future the proposal for the settlement of the Shantung railway by returning it as a loan railway as described above. If we should now express such a purpose, it is to be feared that the Chinese would clamor for still more concessions and insist upon interpolating other questions in the provisions for the settlement of the Shantung question, especially rights which have been renounced by China. Therefore, before the Japanese government presents this proposal for a loan, it is necessary that the Chinese consent to our claims in the provisions for the Shantung settlement outside of the questions of the railway. In other words, if, in spite of reaching an agreement in the negotiations about provisions outside of the railway, there is still a difference of opinion between the Japanese and Chinese about the Shantung railway alone, and if, after that, our insistence upon the proposal for joint administration would stand in the way of a general settlement of the whole Shantung question, then and then only should the plan described above be brought forward.

(3) If, in spite of the presentation by Japan of this still more conciliatory plan relative to the Shantung railway and her sincere efforts for the settlement of the Shantung question, the Chinese demand still more concessions in addition to that plan, such demands would be nothing less than outrageous.

If, contrary to expectation, the Chinese take this arbitrary attitude, Japan on her part inevitably must reconsider her hitherto magnanimous attitude upon points connected with China's aspirations in the Shantung question and, of course, in other questions being discussed in the committee on Far Eastern questions and you will make a declaration to this effect.

(4) In estimating the amount of Japanese investments in the railway, it is necessary to add, besides the sums invested mentioned in your conference

cablegram No. 150, the Japanese property, etc., which will be offered to this railway.

The Japanese foreign office ordered a flat refusal of the cash payment for the Shantung railroad and a standfast policy even if it resulted in the breaking off of negotiations, December 22, 1921. Three days later in a cable breathing injured dignity and hurt feelings, the foreign minister directs the Washington delegates to make due explanations to Balfour and Hughes and extend their regrets, but to refuse firmly to go on with the matter unless the Chinese relent. He suspects that a cash payment would only lead to Chinese anti-Japanese propaganda or to the increasing influence of other foreigners in Shantung to the exclusion of the Japanese. Moreover, he fears a strain in American-Japanese relations, should the former insist on settling the matter against the Japanese popular will. And finally and reluctantly, he believes that the English who control the Peking-Nanking railway have a secret agreement with China to control Shantung through the railways, by making the Tsingtao-Tsinan road a branch of the north-south main line, referred to as the Shimpo railway.

The Japanese honestly think they are right and are quite abused by the attitude of the Chinese. The justice of their views is for others to judge. One can't help but agree that they are the hardheaded practicalists and the Chinese are unbusinesslike, optimistic dreamers when considering the possibilities for cash-payment in view of their other obligations. Nor can the Japanese be blamed for wishing to be chiefly among-those-present since foreigners from necessity play

such a large role in financial and economic China. ~~The following is a summary of the~~

(~~sent to follow cable~~)

(Nos. 255 and 151 are above)

Conference
Tokyo-Washington, No. 215.

December 22, 1921.

Conference
~~Tokyo, Washington, No. 237~~

~~December 25, 1921~~

~~Tokyo-Washington, No. 238~~

~~December 25, 1921.~~

~~Very confidential.~~

Referring to your conference cablegrams No. 242 and No. 255, The position of the Japanese government with reference to the question of the railway is that, if a general agreement is reached with China about the other matters connected with Shantung (of course including the salt industry) and the question of the railway alone endangers the success of all the Shantung negotiations, then and then only there is no objection to bringing up for discussion the proposal of a loan railway. With reference to China's desire, however, to purchase the railway at once by an immediate payment in cash or national treasury notes, the proposal for a loan railway was in itself the lowest limit to which the Japanese government felt it could go and the claim of the Chinese to make payments in this way, etc. was absolutely beyond reason and the Japanese government would have to reconsider continuing the Shantung negotiations under such circumstances. A cabinet council will be held as soon as possible and instructions will be sent you. However, this may eventuate. I suggest that you do not display a tone of compromise until then.

Conference
Tokyo-Washington, No. 237.

December 25, 1921.

Very Urgent.

(Note. Text is somewhat garbled and in the JP code which is not yet fully solved. Ten new identifications of code groups were made from the

text of this and J-6858. The translation is believed to be accurate except for a few possible turns of thought.)

Referring to our cablegram No. 215, until now we have not only been carrying forward the Shantung negotiations in the most fair and reasonable spirit, but we have been incurring hardships in making concessions. Meanwhile the Chinese, taking advantage of these concessions, have been haggling more and more, and repeating vain quibbles. Their attitude lacks sincerity. Perhaps the Chinese delegates in view of the political situation and public opinion in their country are concerned solely about their own position and wish to avoid responsibility and feel that it would be more convenient to make these negotiations finally end unsuccessfully.

If such is the situation, if we should press at all costs for a settlement of this matter with the Chinese, we should necessarily be forced to make unjust concessions. As a result, at the time when the meeting of our diet is at hand, we could not avoid an eruption of public feeling. It is practically impossible for the Japanese government to make further concessions.

In case we should accept the recommendation made in your cablegram No. 255 () in favor of cash payment, the Chinese in order to raise the money might excite the whole country and collect the money on the basis of a loan for the relief of the country, and in that case we should have with folded arms to watch the Chinese anti-Japanese propaganda. Or they might appeal to foreigners for the money and in that case the Japanese interests would be excluded by the capital of another country. Our country could not stand this and it might produce unexpected complications.

2. The present Shantung negotiations were opened through the good offices of Hughes and Balfour. It is desired to present a memorandum thanking these gentlemen for their good offices and giving a summary account of the progress of the Shantung negotiations. It will be stated that although British and American observers have attended the negotiations

there is a possibility that there may be more or less misunderstanding of the situation and that it is therefore desired to present this memorandum. You will explain and amplify on the reasons given above, and will say that further concessions on our part would invite an eruption of popular feeling, which, it is feared, under some circumstances might have a bad effect on relations with Great Britain and the United States. You will state that it will be difficult longer to continue at Washington the Shantung negotiations, which had been opened through the kindness of these two gentlemen, and that it is desired to await a more favorable opportunity and reopen negotiations at some suitable place chosen by China and Japan.

You will say that, under the circumstances which have been described, a continuation of the sessions of the Shantung committee would be meaningless. The Washington conference has been a glorious success in respect to the limitation of armaments, the quadruple treaty, etc., and is now gradually approaching its close. Today to delay the conclusion of the main conference on account of the Shantung question would not be proper conduct towards the conference. It might have a bad effect on other important questions and might finally endanger the success of the conference. This would be a source of great regret for the Japanese delegates. It is hoped that the committee on Far Eastern affairs will decide that it is preferable to continue immediately with other Sino-Japanese questions.

To Mr. Balfour besides the foregoing you will add that we have made every concession to China in connection with the Shantung railway. You will say that it was on account of the suggestion of Mr. Lampson as communicated in your cablegram No. 130 ^{2 (first)} ~~that~~ that the delegates entirely on their own responsibility tried to discuss a proposal for a loan railway, but the Chinese immediately proposed cash payment. The loan railway proposal was our extreme concession, and it was a matter of the greatest regret that the Chinese took the attitude of refusing to discuss anything except the method of cash payment.

2 (See below page)

3. As a result of the foregoing communication it is to be expected that the British and Americans may say that it is hard to believe that a question which has failed of solution at Washington under the good offices of the British and American plenipotentiaries will be solved later at a place where the good offices of Great Britain and the United States will be impossible, and they may propose mediation or some compromise midway between the Chinese and Japanese claims. In that case you will reiterate the foregoing explanation of our attitude, and will say that we have gone to the extreme in concession and, while we thank Great Britain and the United States for their good will, there is no room for compromise.

You will add that, if, through the good offices of Great Britain and the United States, it were made necessary that Japan make further concessions, not only on the one hand would the relations between China and Japan not be improved, but on the other hand, frankly speaking, there would be occasion for anxiety as to what might develop from the feeling of the people of Japan towards Great Britain and the United States. You will say that, if Great Britain and the United States still wish to undertake any task of mediation, we must hope that they will work principally to demand a responsive attitude on the part of the Chinese.

4. Apart from the foregoing, you may say to the British and American delegates that, if the Chinese change their attitude and accept our proposals, there will of course be no objection to continuing the negotiations and exhausting every effort to settle this question, but in the first place the stubbornness with which the Chinese have maintained a strong attitude is due in large part, as Ambassador Shidehara has on previous occasions pointed out to Mr. Hughes, to the vain hope of the Chinese for American support. Since the opening of the Washington conference this hope has been somewhat abated by the fair attitude of the United States, but it can be perceived that something of the feeling still remains and it would

therefore be better to leave the question until after the adjournment of the Washington conference.

5. Reviewing the course of the negotiations between China and Japan, it appears that the Chinese may have an underlying purpose of having the Shantung railway as a branch of the Shimo railway. If such should be the case, the Chinese might borrow the price of the Shantung railway from the British, or of course China itself might pay it, but in either event, in view of the British control of the Shimo railway, in future the Shantung railway as a branch of the Shimo railway would be placed under British control. In that case Shantung would be taken out of the hands of Japan and put into the hands of Great Britain.

This is of course based on an assumed case and there is the Lampson proposal on the other side. It is hard to believe that the British are devising with the Chinese some plot to this effect, but the Japanese government can hardly avoid giving some consideration to this aspect.

This cablegram is sent with an accompanying cablegram. After noting the views in the latter, you will take the action suggested in this cablegram.

Tokyo-Washington, Conference No. 238, December 25, 1921.

~~Very important.~~

Referring to our cablegram No. 237, we venture to think that we need not enlarge on the fact that there are good reasons for the Japanese government to advocate the plan for joint administration of the Shantung railway. This claim has until today never been given up, but, in view of the whole situation, the Shantung question has nearly terminated in an agreement on everything except the railway question (and of course the important question of salt.)

Under heading No. 2 of our cablegram No. 15 ~~it is said~~, it is said

that, if an agreement has been reached in the negotiations concerning everything but the railway, but there is still a difference of opinion between the Japanese and Chinese about the Shantung railway alone, and, if, after that, our insistence upon the proposal for joint administration would stand in the way of a general settlement of the whole Shantung question, then and not until then should the proposal for a loan railway be brought forward. Through later developments of the negotiations the loan proposal was brought forward prematurely and it became necessary for the Chinese to answer it. It will be necessary to discuss it, but, if, accompanying the progress of the discussion, agreement is not reached on details of the method and time-limit of payment, you will take the action with respect to the British and American plenipotentiaries which is suggested in the above-mentioned cablegram No. 237.

In that case, if negotiations on this question are broken off, and if it becomes necessary to publish a declaration, it is desired that such statement should merely show the good basis of the Japanese claim for joint administration, the spirit of fairness and reasonableness in which the loan railway proposal was made, the fact that the proposal contains no terms which are exceptional in the relations of China with other foreign railways at present in China, and a statement that this was the extreme proposal of Japan and that there is nothing further to do. It is desired that the statement shall avoid reference to details about the time of payment, the amount, etc.

In the discussion of this loan proposal the Chinese delegates offered a counter-proposal for cash payment. China at the present time has immense unpaid foreign loans, and the government is incurring numberless further foreign loans. It is clear that China can not in a short time pay a large sum in cash. If the method of cash payment is adopted, a loan of all or a large part of the sum must be asked of foreigners or, even if a domestic loan is floated, it may be presumed that as a matter of fact it

would be taken entirely or in large part by foreigners. Thus the result would be produced that these foreigners would have influence in Shantung instead of the Japanese. It is quite impossible for Japan to assent to a Chinese proposal based on the foregoing.

Your cablegram No. 275 has been received, but there is no change in our views as given in this cablegram and No. 237.

Accordingly the Japanese plenipotentiaries refused to consider payment through a consortium loan and to agree to a British traffic manager. By January 10, Tokyo was on the defensive to her representatives in Washington. Though she was still stubborn, she was more inclined to be leniently reasonable in her explanations and to compromise. ^(Pluto's fellow cable) The Yangtze-kiang is the large water way of central China emptying below Shanghai.) ~~_____~~

^{Conference}
Tokyo-Washington, No. 295.

January 10, 1922.

Urgent. ~~_____~~

1. Referring to your cablegram No. 361, the determination of the Japanese government concerning the Shantung negotiations is known to you from our successive cablegrams. We regret that it is difficult for us to make further concessions. Supposing that we adopted this policy and chose the proposal No. 2 in the last part of the second section of your cablegram No. 370, ^(edit) ~~_____~~ it is not hard to imagine that the Chinese delegates would not accept the terms we wished.

Not only are there many precedents for loan railways, but in view of the history of the Shantung railway, if the joint administration plan is given up, there is nothing to do but to substitute the railway loan plan for it. (Note. The text from here is badly garbled and the translation corr-

espondingly doubtful.) The Japanese government has no objection (?) to proceeding with this plan and to declaring, if it is absolutely necessary, that of the fifteen year period there remain five years, but it will be necessary to have a clear guarantee as described in the last part of your cablegram No. ... that, if the loan is not paid after the lapse of that time and before its maturity, the Chinese shall not pay it with foreign capital.

There are in China many instances of railway loans running for forty or fifty years which have ten or fifteen years left before maturity. The American Siems-Carey railway loan was for fifty years and has twenty-five years still to run. After the lapse of this remaining time and before the expiration of the loan period an entirely different [Ed. Note. or payment] Possibly, arrangement~~y~~ will not be permitted. Considered in view of this, our proposal on the basis just described has no equal for generosity and should be sufficient to meet all objections.

2. Our position about requiring the employment of Japanese on the Shantung railway during the life of the loan follows the example of foreign loans in general. We desire the employment of a traffic manager, a chief accountant and a chief engineer. The plans in your cablegrams Nos. 261 and 268 (Note. Minutes of Shantung meetings of December 19 and 20) are entirely impossible of acceptance. We attach particular importance to this point, but, in case of inevitable necessity, there will be no objection to compromising by bringing the traffic manager and the chief accountant under it and making the [Ed. Note. Possibly, active] chief engineer Chinese and the [Ed. Note. Possibly, associate] chief engineer Japanese.

3. According to your cablegram No. 268, etc., it is supposed that the Chinese may intend to make the Shantung railway a branch of the Shimpo railway. The Shimpo railway is a trunk line connecting North China with the Yang-tze-kiang, ^(that) and already forms a complete railway system. The [Ed. Note. Possibly, Shantung] railway connects the Chinese interior with a sea port and in correlation with its extensions serves a purpose of

its own. The purposes of the two railways are different, and they should not be put in the relation of trunk line and branch. The parties to the railway loans are also different. Judging by these facts, the two railways should be administered separately.

4. There are at present about two thousand Japanese employed on the Shantung railway. In case these men were all discharged at the same time, after the transfer of the Railway to China, the railway traffic would be impaired. In case they are discharged, this should be done gradually, and a sufficient compensation should be allowed them at the time of their release. It would be natural to pay this allowance from the receipts of the Shantung railway or from other assets. You will endeavor to have this arranged.

To add to the difficulties there had been trouble in the Chinese government so the Chinese delegates were not at all to blame for being nervous about their political heads. On December 13, 1921 Marshall Chang-Tso-lin, tuchun of Manchuria, had marched on Peking. Less than a week later the Chinese had resigned and a new premier, Liang Shih-yi, and a new cabinet took office under the favor and protection of the Manchurian war lord. Shortly after their installation, the Japanese minister called on the premier to pay his respects and inquire in passing the turn of affairs in the Shantung matter.

Immediately the Chinese accused the Japanese of pressing Peking for a concession in their favor. Wu Pei-fu, military and political rival of Chang and right hand man of Tsao-Kun, tuchun of Chihli, the province in which Peking lies, alleged that Liang Shih-yi settled the matter privately with the Japanese minister, Obata, and

had ordered the Chinese in Washington to consent to the Japanese overtures. Under his instigation Chi Hsieh-yuan, Wang Chan-yuan, Chen Kuang-yuan and Yen Hsiang-wen, the tuchuns respectively of Kiangsu, littoral province of central China in which lies Nanking; Hupeh, central China province; Kiangsi, south China province; and Shensi, central China province, southwest of Chihli, wished to impeach the premier; and Chihli; Honan, central China province; Shantung; Hupeh,; Hunan, south China province; Kiangsu, and Szechwan, south China province wished to revolt and declare their independence of the national government. It is a wonder the Chinese continued to conduct the discussions with the passivity and equanimity they did.

The Japanese government gave its first indication of relenting January 12 when Obata promised to reconsider the flat refusal if China made certain promises of compromise and sincerity. ^(start to follow cable) (For No. 372, see below; No. 295, see above.)

Conference
Tokyo-Washington, No. 308. January 12, 1922.

~~Very confidential.~~

Referring to your cablegram No. 372¹, as you know from our successive cablegrams, Wu Pei-fu has sent out telegrams opposing the Liang Shih-yi cabinet in connection with the Shantung question, and it is reported that he has in fact at last decided to take an independent attitude. The tuchuns of Kiangsu, Hupeh, Kiangsi, Shensi, etc. and the Shanghai have sent out telegrams impeaching Liang. The Canton government is spreading a propaganda attacking Hsu Shi-chang and Liang Shih-yi saying that the Peking government has conducted secret negotiations with Japan on the Shantung question and has planned a Japanese loan. It is reported that this has naturally produced a state of opposition to the Liang cabinet in Shanghai and other commercial places and that Chihli^h, Honan, Shantung, Hupeh, Hunan,

Kiangsu and Szechwan are on the verge of declaring their independence. In the meantime as reported in our cablegram No. 7 the crews of gunboats have embargoed salt on the pretext of non-payment of their salaries and in the end have made the British ambassador propose that warships be sent. The Chinese political situation is entirely chaotic and it is impossible to judge off hand what will be the developments.

In view of this situation, we cannot help doubting whether the Chinese delegates at Washington will proceed with a proper sense of their own responsibility to solve the Shantung question. It is imagined that on the contrary they will worry more about their position, will persist more obstinately in the attitude which they have hitherto taken, and will show no spirit of compromise. Thus no matter with what pains and good feeling MacMurray and Lampson work to solve this question as reported in your cablegram No. 372, it must be said to be very doubtful whether the Chinese delegates will really consent to a compromise proposal such as the so-called plan No. 4 in your cablegram No. 374.

Japan has hitherto repeatedly claimed that it was making its ultimate concession, but in spite of this it has times without number made changes. Even now if Japan should again yield to the request of these two gentlemen and make it clear that it could not refuse to give consideration to, let us say, this plan No. 4 and should again reply to the Chinese, it is feared that the Chinese still more greedily would demand further concessions and finally, unless we agreed on a settlement close to the claims which China has hitherto made, we would be put in a bad position without reaching a solution. It need not be said that this is a situation which we could not ^ltolerate.

We deeply appreciate the friendly activity of Messrs. Lampson and MacMurray, but because they have made a proposal the Japanese government cannot immediately and suddenly ^dchange the claims given in our cablegram No. 295 ^(Final)~~see above~~. Still the so-called plan No. 4 in your ^{cat}~~cablegram~~ No. 374 is in form a proposal for treasury notes, but in essence it does

not have a great difference from our claims, and as soon as the Chinese delegates have taken a resolution, it would not be impossible for the Japanese government to undertake a reconsideration. In view, however, of the situation of the delegates, the Japanese government, before it reconsiders, feels that it is essential to ascertain in some manner the purposes of the Chinese delegates.

In short, therefore, if the British and Americans will get in touch with the Chinese substantially on the basis of our views given in our cablegram No. 295, and, if they trustworthily establish that the Chinese delegates in a sincere spirit of compromise will have the responsibility to resolve on a compromise on terms close to our views in that cablegram or on an approximation of the so-called plan No. 4, then and not until then will the Japanese government reconsider. You will make a special effort in the foregoing sense.

(span)

(possible chapter break)

England as the former ally of Japan was eager to bring about an amicable solution of the problem. On December 2 Lampson suggested making the Shantung railroad

a Chinese-Japanese loan railway as a possible compromise. Hayashi had advanced this idea just a day or two before. (See No. 1223 in Chapter 15.) (Sir Maurice Hankey was general secretary of the British delegation.)

Conference
Washington-Tokyo, No. 130.

December 2, 1921,

~~Very confidential.~~

With reference to my cablegram No. 125 (Note. minutes of first session of Shantung negotiations) on the way home after the adjournment of the meeting for direct negotiations between the Japanese and Chinese, Lampson, one of the men attending for the British, whose opinion is observed to carry most weight with the British delegates in questions relating to China, said to one of

our secretaries attending the meetings that he considered that the heart of the Shantung question was the Shantung railroad, and that, if, in compensation for making this railroad a Chinese railroad, the whole value of the railroad should be converted into a Japanese capital loan, making it like the Shimpō railway, a settlement of the question would be easy. As a method of guarantee it might be well if someone were put in the railway. If this were done the position of Japan would be exceedingly good. If China persisted in opposition, sympathy for the Chinese point of view would be destroyed throughout the world.

We merely noted this as an eagerness on his part to help us out, but in an interview between Saburi and Hankey, ^(L.H.) Hankey expressed the same opinion as Lampson. Lampson's opinion is therefore judged to be the general view of the British delegation. Putting this together with the views repeatedly expressed by Hughes to Shidehara, I surmise that this coincidence of the views of Great Britain and the United States may be due to an underlying idea that some day as mediators between Japan and China they may make this the essential point of a compromise.

At Shidehara's suggestion Balfour agreed to a postponement of negotiations to prevent a rupture. He was afraid of the effect that non-settlement would have on the fate of the Four Power Pacific treaty in the American senate and, reluctant as he was to advise either party one way or the other, he would have assisted gladly if both sides had wished him to mediate.

Conference
Washington-Tokyo, No. 299.

December 29, 1921.

On December 28 Shidehara interviewed Balfour. The substance of his statements in regard to the Shantung question were substantially the same as his statements to Hughes.

The main features of the opinions expressed by Balfour were as follows:

1. That it would give rise to grave misunderstanding for himself or for Hughes to give any advice regarding this question to either Japan or China, and only to complicate the situation more and more was something to be feared, he thought. Such steps had been purposely avoided, yet, if there was anything they could do to facilitate a settlement of the matter, they would certainly spare no efforts to the extent they were agreeable to the wishes of both Japan and China.

2. He was convinced that, if the negotiations on the Shantung question should end fruitlessly, this would become a direct and grave hindrance to the passage of the Four¹power treaty in the senate. He could not but hope that the Japanese would give special consideration to this point.

3. He believed that it would be most advantageous to the settlement of this question if, at the same time the time limit of the loan was settled, a short-dated special redemption period was fixed upon.

4. Although it was very doubtful whether or not China could ultimately carry out immediate payment, the fact that Japan rejected China's proposal for immediate payment would be used by the Chinese for propaganda, and, in such an event, he regretted that, before the general American and European public unfamiliar with the situation, Japan would be placed in a position of disadvantage.

5. He considered Shidehara's view that the announcement of the breaking off of the negotiations in the conference should for the time being be withheld, most appropriate to the occasion. Whatever happened, he hoped that at such time as it was decided to make the announcement of the breaking off of negotiations, he would be given due notice of this before it was carried into effect. He did not know what immediate measures it would be right to take. Special consideration would have to be given with reference also to the opinions of Jordan and Lampson, who had been attending the negotiations meetings. Furthermore, if it were necessary, he would gladly at any time confer over the matter with Shidehara and Hughes.

Lampson chatted twice with Taneo Matsudaira, director of the European and American Bureau of the Japanese Foreign Office, December 27 and 31, and begged Japan to consider what influence a Sino-Japanese break would have on the Four Power treaty and on American and English opinion, and sought to have the Japanese take the initiative to reopen conversations. He urged the consideration of a short term loan and the employ of a traffic manager pleasing to the the Japanese, and wished them to take the advantage of Balfour's advice or mediation before he returned to England.

To all this Matsudaira countered with the difficulties of public opinion at home and in the diet and explained that the proposed railway loan was merely a personal plan liable to the veto of the home government. He stressed their continued concessions.

Conference
Washington-Tokyo, (No. 339.)

January 4, 1922.

On December 27 Lampson called on Matsudaira, and, speaking entirely as between friends, referred to the standstill in the Shantung question.

He said, since the Japanese plenipotentiaries had explained at the last Sino-Japanese meeting that there were points on which they must have instructions from their home government, he thought it was perhaps Japan's turn to reopen the negotiations. He asked whether no instructions had since then been received.

Matsudaira replied that he thought in a day or two Ambassador Shidehara would talk with Mr. Balfour in regard to this question, but he himself would make a frank statement in an entirely individual capacity: the government and people of Japan had made up their minds very firmly in

regard to this question, and he thought this was the reason for the difficulty in accepting, ⁱⁿ ~~the~~ the form in which they stood, the claims made thus far by China.

Lampson said he of course understood the position of Japan, but, if unhappily a break in the negotiations should be brought about now, he feared the consequence, or at least the tendency, would be to lead to trouble in high politics, and to bring about a condition very disadvantageous to Japan.

Then in reply to an inquiry from Matsudaira, he stated that there was even fear that one of the grave consequences would be the occasioning of failure of ratification of the Four Power treaty by the American senate, and, since in Great Britain they could not but feel great concern over the establishment or non-establishment of the treaty, it must be said that in the long run the settlement or otherwise of the Shantung question would have a very great influence.

Matsudaira said the reflection of the Shantung question on American public opinion might be as Mr. Lampson said, but upon reconsidering the matter from the Japanese standpoint, in the first place the rights and interests of Germany with respect to Shantung had fallen definitely to Japan based on the distinct consent of the British, French and other powers, through the Versailles treaty. Nevertheless Japan had no sinister plan of railroad monopoly; on the contrary she had announced she would make it a joint Sino-Japanese enterprise, and, going a step further, she had had ownership in full restored to China, besides making concession after concession in regard to the whole eventual settlement. Despite all this, the Chinese attitude meanwhile was very much lacking in sincerity, and showed a measure of arrogance, with a constant avidity for quibbling over trifles. Although there was in consequence no small voice of dissatisfaction on the part of the government and people of Japan, the Japanese plenipotentiaries hoped to take this opportunity for a satisfactory solution of the question through as great a spirit of compromise as possible, and, drawing up a compromise plan on their own initiative, they proposed to recommend the plan to their

home government should it meet with acceptance by the Chinese. Hence, that this private plan of the Japanese plenipotentiaries was not based on government instructions and in no way committed the government was at the time made clear by Ambassador Shidehara. Consequently, even if it should receive the consent of the Chinese, it was doubtful whether finally it would or would not have the official backing of the Japanese government. Under these circumstances since Japan had already compromised on all she would give up, there was nothing left to do but to prevail upon the Chinese to yield to our railway loan proposal which was our final concession.

Lampson said he understood Matsudaira's explanation and the Japanese position, but he regretted that, in the light of general opinion in America, there was difficulty in understanding the underlying motive, when, in regard to the Chinese demand to make immediate cash payment for the value of the railway, the Japanese evaded the transfer of this ready money and insisted to the end on a loan contract.

Matsudaira said this question from the outset was not a monetary question such as of immediate payment or a loan contract, but the aforesaid concessions had come to be made with respect to the disposition of the railroad, which disposition was based upon actual and complete ownership. He was convinced therefore that from this point of view there was no injustice in Japan's demand for duly advantageous reservations in return for abandoning ownership.

Lampson replied that he fully understood the delicacy of this question. Mr. Balfour also with the utmost caution was avoiding any proposition which might in any way be misunderstood as interference, and had an earnest wish for the harmonious continuation of the negotiations, in the fervent hope that some points of compromise might be found.

Afterwards, on the thirty-first, Matsudaira called on Lampson, and the latter referred to the Shantung question again in a friendly conversation. He said Mr. Balfour had about decided to return home on a ship leaving January

14, and Mr. Balfour's earnest hope now was that a satisfactory settlement of the Shantung question would be reached. If by chance^C this question should end in not being settled, the favorable time for mediation would have slipped by. Thus all the labor up to today would be for naught^t, which would be most regrettable. Could not Japan take the initiative in reopening conversations, he suggested.

Matsudaira replied, if Japan at once entered upon conversations there would be nothing else in the end but a breaking off of negotiations. The Japanese delegates had not tried as yet to have any interview^s with the Chinese, but they were considering the question with the object of finding a method of settlement in case interviews were eventually impossible.

Lampson then repeated in the main the views he had given in the conversation of the twenty-seventh, in regard to the reflection of American public opinion and the disadvantageous effects exerted thereby on Japan, pointing out the inexpediency of leaving the question unsettled.

Matsudaira said he was thankful for Lampson's friendly proposals, but even in Japan the Diet had already begun its sessions, and in regard to the naval question also there was considerable criticism of the government. Besides, since it was just at this time that public controversy was particularly loud over the Four Power treaty, a show of concession in regard to the Shantung question would certainly cause public discussion to seethe. Not only would the position of the government thereby be very much endangered, but it might even be expected to exert some effect upon the various decisions of the Washington conference. It was necessary to pay heed to the trend of public opinion in America, but still Japanese public opinion could not on that account be ignored.

Lampson agreed with Matsudaira's views. Then, as his own individual impression, he said he thought that, if it was hard to accept cash payment for the value of the railway, might not the negotiations come to settlement by making it a short-dated loan (that is to say, maturity and redemption

in twelve or thirteen years) and amending things so that a traffic manager acceptable to Japan be engaged? Of course there was a fair amount of reason in the Chinese claim which would choose a treasury note plan. Not only would there be such reliable security as railway receipts, but it might make settlement easier than to pass everything over into the hands of capitalists.

Matsudaira said he was unable to make any statement whatever regarding points of detail, but what the Japanese plenipotentiaries had said in regard to treasury notes was certainly proposed in order to discover points of compromise and above all to understand thoroughly the real motive of the Chinese. Accordingly these were all nothing more than private proposals of the plenipotentiaries, and it was hard to tell whether or not the government would finally approve them. In short, Japan, following the precedent of numberless railway loans in China, wished to conserve her proper interests, and, although it was perhaps inevitable that there would be some who would make a natural discrimination between a newly organized railway and an already completed railway, if he were to give his candid opinion, he was entirely of a different opinion. Rather, in the case of a newly organized railway, even if fresh discussion should arise with respect (even) to agreements which concerned those who held interests in political and financial circles, when it came to the case of the Shantung railway, it was a matter of assigning a railway to which ownership was already fully acquired, and, therefore, he thought it was not particularly unreasonable to propose terms for that railway that were advantageous when compared with those for an unfinished railroad.

Lampson expressed agreement with Matsudaira's views. Then he said he hoped that in all events, since Balfour planned to return home on the fourteenth, the Japanese would hasten a harmonious solution and at the same time take opportunity to talk with Balfour. He wished it understood, however, that the British had no desire to interfere in the discussion over this question. He added the above views were entirely his personal ones.

Matsudaira thanked him for his kindness and said he would give the plenipotentiaries a detailed account of all the particulars of the interview.

(space)

It was due to this as well as to the receipt of further instructions from Tokyo that the Japanese reopened the negotiations January 4-7, until the second deadlock occurred. This time Lampson and Macfurray presented to Hanihara three tentative proposals, to which they added a fourth on January 9, said to be their own, though the Japanese plenipotentiary suspected Balfour and Hughes' hand.

Mediation had been first suggested December 30, and the Chinese representatives sought the aid of both Balfour and Hughes January 3. The Japanese, however, politely negatived the idea and said it would be better to revert to direct diplomatic dickering. China again called for mediation several days later, and again went to see Hughes and Balfour. Hughes, however, refused to take the initiative until he was requested likewise by the other side.

Unfortunately the four well-meant proposals are not available. (Elut to follow with?)
(For No. 370 see above.)

Conference
Washington-Tokyo, No. 372.

January 9, 1921.

~~_____~~
On January 7, Lampson called upon Hanihara and said that as a result of a private conference with Macfurray after the deadlock of the Sino-Japanese negotiations on the sixth, he and Macfurray had a tentative suggestion to communicate to the Japanese and Chinese delegates and had drawn up a personal plan with the idea that it should be submitted only for their information.

MacMurray also was to have joined him here. This personal proposal went absolutely no further than tentatively to outline a plan which had happened to occur to them. Therefore, such being his intention, he would like to know the unreserved opinion of the Japanese delegates.

Hanibara asked whether Hughes and Balfour also knew about this. Lampson replied that nothing yet had been said to them and that the intention was not that any suggestions should be made by the Americans and British, much less that any attempt should be made to interfere in the Sino-Japanese negotiations. Only as observers who were familiar with the course of negotiations up to the present, and as a result of their anxiety that a way might be found to break the deadlock, they had hit upon this plan and desired the unreserved criticism of the Japanese in regard to it. If the criticism and views of the Japanese were adverse, the plan need not ^{be} divulged to the Chinese, but the desire was to propose this personal plan also to the Chinese. After making the above statements, he read aloud the three compromise proposals.

Hanibara, after asking one or two questions about these three proposals, replied that the fact was that the instructions given the Japanese delegates were very definite and that it was therefore impossible for them to accept at once any of these proposals as they stood, that is to say, that it was impossible for them to make any decisions outside of the original Japanese proposal without requesting instructions from the government. He added that he would at any rate, however, consult the other delegates as a matter of form. Lampson repeated that he would be very grateful if he could know at once the views of the other delegates.

The unanimous view of all the Japanese delegates regarding the above mentioned three proposals is not only that they still show wide differences when compared with the proposal made by us in the meeting of the sixth as our final concession, but also that this personal plan can be nothing less than a proposal of which Hughes and Balfour were informed and which was given out to be a plan made on the spur of the moment by Lampson and MacMurray,

experts in Chinese affairs⁹ and that we should be left with it is unfortunately impossible for us to accept any of these proposals.

On the morning of the ninth, Lampson and MacMurray together called upon Hanihara and repeated their statement that the personal proposal made by Lampson on the seventh had in no way been suggested by Hughes or Balfour. After assuring us of this, saying that at any rate they wished us to communicate it as a matter of form to our government, they stated their intention of communicating to the Chinese also the three proposals a summary of which is contained in accompanying cablegram A. No. 373, i.e., the proposal presented by Lampson the seventh, but that they first desired to know the views of the Japanese. Hanihara, in the spirit of the sentiments expressed above, explained that it would unfortunately be impossible to assent to these proposals. They asked which of the three proposals came nearest to the Japanese viewpoint and said that, if the Japanese had any question upon any other points, they would like to be informed of them without reserve. Hanihara replied that, if the conditions of the second proposal were changed, it might be taken under consideration.

Lampson and MacMurray said that as these proposals in fact acknowledged the principle of ordinary loans which the Japanese advocate and which is most difficult for the Chinese to accept, they were framed from the standpoint that a condition would be that some concessions would have to be made by Japan. If, as was supposed, the Japanese were not disposed to accept the proposal to make payment in Chinese treasury notes, they asked whether Japan placed more emphasis upon the principle of the loan or upon its terms. Hanihara replied that speaking only according to his own personal opinion, he thought that more emphasis was placed upon the terms. Therefore, with reference to the above condition, he felt that there was perhaps no objection to ascertaining the views of the government as to whether there was any room for the reconsideration of the proposal to make payment in Chinese treasury notes. Lampson and MacMurray rejoined that, if such were the case, it would bring the situation to a point

where it would be very easy for them to exercise their good offices. After taking leave, they sent Hanihara the fourth proposal, contained in accompanying cablegram B, No. 374. They said that in any case they referred this to the consideration of the Japanese plenipotentiaries and hoped that the latter would submit it as a matter of form to the Japanese government.

Lampson and MacMurray proposed that as time would have to elapse before instructions could be received from the Japanese government, in the meantime arrangements might be made for the immediate resumption from today of the deliberations regarding other unsettled questions. Hanihara explained that the resumption of negotiations beginning today would be practically very difficult and that it would be difficult for any of the four proposals as they stood to receive the approbation of the Japanese government. As such was their earnest desire, however, he agreed at any rate to transmit them to his government.

Both Lampson and MacMurray avoided any statement that this was the view of Hughes and Balfour and claimed that the only intent was that they in their capacity as observers desired to facilitate the progress of the negotiations on this question. It is not difficult, however, to conjecture that this is also the view of the British and American delegates. They took great pains not to adopt an attitude tending toward mediation or interference and signified their willingness to exercise their friendly offices in any way. Both the British and Americans are making every effort to bring about a harmonious and prompt settlement and their sincerity cannot be gainsaid.

Please take note of the above at once together with my views as expressed in cablegram No. 370, ^(dict) and cable instructions as to how I am to reply to the suggestions of the British and Americans.

The following day Hughes and Balfour came out with a joint compromise suggestion which would permit the Japanese loan and a Japanese engineer, provided Japan would

abandon her claim for a Japanese accountant and Japanese traffic manager.

The United States, because feeling ran high over Shantung in the Senate, was equally anxious to help erase the differences if permitted. Tokyo reported two calls from Roland P. Morris, American ambassador, December 28 and January ⁶/₇. In the first Morris politely inquired about the rumor that the impasse at Washington was due to alleged lack of instructions from the home office, and in the second he courteously offered to help. It is interesting to note the difference in manner and tone of statement of the Japanese foreign minister in speaking of the Chinese and of the men at Washington. The first is filled with hauteur and impatience, while the second, though touched with dislike, is conciliatory.

Conference
Tokyo-Washington, No. 247.

December 1, 1921.

Washington-London, No. 752.

December 28, 1921.

~~Tokyo-Washington, No. 287~~

~~January 7, 1922~~

On December 26, the American ambassador called upon the foreign minister and said it was reported in the newspapers that the reason that the Chinese-Japanese negotiations on the Shantung question had come to a standstill was that the Japanese government had not sent instructions to the Japanese delegates in Washington. He had received a cablegram from his government relative to this matter. He handed me this cablegram, but it consists only of a summary of the progress of the Japanese-Chinese negotiations.

The foreign minister replied that the Japanese government continued to advocate its proposal for joint administration of the Shantung railway, but

that previously this proposal for a loan had been presented to the Chinese delegates by the Japanese delegates as their personal plan. After the loan proposal had been made, the Japanese government would have no other course than to approve it, but this was the extreme limit of concessions which the Japanese government could make. As there was no other way out except for the Chinese delegates to approve the Japanese views, he had therefore cabled the Japanese delegates that there was no room for further concessions.

The American ambassador then referred to the details of the term and amount of the loan, in case the loan proposal should go through, but the foreign minister replied that he did not at this time desire to discuss the questions of term and amount and that the present question was whether or not the Chinese would approve the Japanese loan proposal. If the Chinese accepted the loan proposal, then it would be time enough to have an exchange of views regarding the details of time limit, etc., to be decided upon. The intention of the Japanese government was, however, to ask for nothing else than to take as a standard the terms of other railway loans at present held by foreign countries in China and it was not intended to ask for exceptionally advantageous terms. The contents of our conference cablegram No. 237 was explained.

Conference
Tokyo-Washington No. 287.

January 7, 1922.

The American ambassador to Tokyo came to the department on January 6, and said, if there were anything he ought to do in regard to the Shantung question, he wished to be told of it without hesitation.

The minister of foreign affairs thanked him for his kindness, and he explained, together with the circumstances of the instructions to the plenipotentiaries last December, the later developments of the question.

The ambassador again referred to the amount of money, and such details.

The minister, not wishing to go through a discussion of these details at this time, explained in short that, if the Chinese would first of all express their consent to the railway loan proposal, which was Japan's final point of compromise, things would be righted and then progress would be seen in the

negotiations. Particularly he had explained before that what Japan was asking was nothing more than the ordinary railway loan terms held by various foreign countries in China.

After all there was no small number of Japanese engaged in various railroad and salt enterprises in Shantung and they had already been there several years. Consequently it would be by no means easy to make even approximate restitution to these. As a matter of fact the Japanese, alone, engaged in the service of the Shantung railway reached the number of 2,000. If these were withdrawn at one time, it would mean nothing but a cessation of the railway service.

Again with respect to various other enterprises, Japanese were at this time laying the foundations of a livelihood and had invested no small amount of property. Consequently it was only to be expected that for the Chinese government to expel Japanese from Shantung, without taking into consideration the interests of these Japanese (he added that the attitude of the Chinese delegates gave this impression), would lead to unlooked-for difficulties. It would, to speak moderately, be a great mistake if the Shantung railway, acquired by Japan from Germany through untold sacrifice, should be returned to China.

The Chinese government should feel very thankful for the attitude taken by Japan. Therefore, if the Chinese plenipotentiaries would carry on the negotiations in this spirit, he thought the solution of the question would be easy. If, however, they did not, he thought that, even if views were exchanged to the last detail, it would simply be a useless repetition of arguments, and by no means result in harmonious settlement.

The ambassador said he understood fully, and would send a cable at once to the secretary of state.

Shidehara in a conference with Hughes December 28 won the latter to view sympathetically the importance of the Japanese view of the loan proposal. It is interesting to see with what skill the Oriental holds in check the American's eagerness to inter-

December 28, 1921.

~~Very important.~~
Referring to our cablegram No. 277,

Taking advantage of an interview with the secretary of state, Shidehara referred to the Shantung question, saying that he believed the secretary had received frequent reports from the American observer on the progress of the negotiations between the Japanese and Chinese delegates, but that it would be appropriate to communicate to him the essential features. He then gave the following explanation:

1. At the time of the Paris conference the right of ownership to the Shantung railroad and the administration and operation of the road were expressly mentioned, and were made to revert to Japan.
2. The proposal for joint control of the Shantung railroad was originally made in order to comply with the wishes of China, and to this China gave formal consent in 1918.
3. In spite of this the Chinese were speaking against this proposal for joint control, and were saying also in the Shantung conference that, because of Japan's insistence on this proposal, they would not continue the discussions. The negotiations were therefore on the verge of rupture.
4. The Japanese delegates were concerned mainly over the wider issues, and desired a settlement of this question. If therefore there were any appropriate plan to take the place of the one for joint proposal, they had made it clear that they would not decline to give it consideration and submit it to their home government. As a proposal under the above heading and taking precedent from customary railroad loans, the conclusion of a loan between the Chinese government and Japanese capitalists was proposed as the private plan of the Japanese delegates alone.
5. Nevertheless, the Chinese rejected the loan proposal, and said they would offer a proposal for prompt payment, or a proposal for payment through

short-dated treasury notes. To a third party it would appear that the difference in the opinions of the two countries was very small indeed, and accordingly the thought might arise that it was hard to understand why Japan was adhering to such a small question and so delaying settlement. Nevertheless, the very slightness of the present difference was based entirely on concessions made by Japan. To seek any further concessions of Japan amounted to forcing an out-and-out surrender, which was something the Japanese people would by no means put up with. The Japanese delegates therefore, having given detailed reports to their government on the progress of this question, were awaiting the government's decision. Under these circumstances they were proposing the postponement of the negotiations until the arrival of these instructions.

Then lately they had finally come in receipt of the instructions. These stated that the efforts of Hughes and Balfour for direct negotiations were profoundly appreciated, but, although, with difficulty, the railway loan proposal alone would be conceded, no further concession than this could be made under any circumstances. Accordingly, unless the Chinese changed their former attitude and showed a spirit of compromise, Japan's opinion was that it was useless to continue the negotiations any longer.

Since such were the government's views, there were no special steps to be taken except for the Japanese delegates to hold a negotiations meeting and there to declare the government's decision. Yet he himself could not but feel great hesitation over this course since an official declaration made at this time would be construed as a rupture of negotiations.

On the other hand in China there was a change in the cabinet, and whatever might be the policy of the new government, nothing had been heard as yet, and therefore Shidehara was thinking it would be best to postpone the reopening of negotiations for a while until the situation became clear.

To this Hughes said that at an interview the other day with Balfour the latter had state^d an opinion with which he agreed, namely, that beca^use the Shantung question was inherently very secret, it was best for Great Britain and America to stand entirely outside and for them to give no advice whatever. ①

should they give any advice, there would be various misunderstandings from both countries^① and even supposing that Japan should compromise, it would be expedient for her to make the compromise on her own initiative, since it would show the world in general a magananimous attitude on the part of Japan.

After repeating several times that under these circumstances he had no intention of offering advice to Japan, Hughes then said that, if only as a friend he might state frankly a thought that was always uppermost in his mind, ~~The~~ Shantung question was considered a reflection of Japan's aggressive policy by Americans and Europeans unversed in the Japanese situation. He therefore thought that, if Japan would seize this golden opportunity and show an attitude of magnanimity in regard to this question and sweep away the misunderstandings of the general public, it would be most desirable.

Again, he said that if in this railway loan also it was the general and familiar case of China asking foreign countries for funds to lay the railway, no matter what terms the foreign capitalists laid down, they would not give rise to public controversy, but when China had no wish to raise a loan for the Shantung railway, insistence by Japan on a long-dated loan would, he feared, arouse the suspicion that Japan's restoration of Shantung was not a real restoration, and that she might be cherishing some secret ambitions.

In reply Shidehara explained that, even though the loan were called long-dated, the framing in addition of a special short-date redemption period within the time limit was a question for the council on negotiations, China was proposing a special redemption period of three and a half years. While the Japanese were not giving their consent to this, their personal opinion was that they had no desire to oppose in principle a proposal which would frame a special short-date redemption period.

Hughes said that this point was very important in facilitating a settlement of this question.

Shidehara then went on to say that, in regard to the Chinese proposal for immediate payment, attention must be given to two points, namely:

1. China had already made loans from Japan of vast sums, and she was actually in arrears in the interest payment on many of the loans. The fact that she claimed, nevertheless, that she would make immediate payment for the Shantung railway would be understood to be for the purpose of expelling Japanese economic interests altogether from Shantung, and it was feared this would sting the pride of the Japanese people.

2. In the light of the state of money circulation in China today, it was very difficult for Chinese bankers to provide funds all at one time. On this account this was sure to be a means of inciting the hostility of the Chinese against the Japanese. The result of Japan's agreement to the proposal of immediate payment would be the stimulating of anti-Japanese propaganda in China. It would be difficult for Japanese statemen to overlook this.

Hughes seemed exceedingly impressed with these two points, and, saying that they were points which had entirely escaped his notice before, was silent for awhile. Then he said he thoroughly understood them, and asked whether it was agreeable to me if he publicly handled this question.

Shidehara replied that he was explaining to Mr. Hughes all the circumstances, because it was through Mr. Hughes' kindness that the negotiations meetings had been brought about, and it was not all with the idea of asking anything of Mr. Hughes.

Hughes replied that, in any case, he considered it a very important opinion I had expressed, that the situation was too critical for immediately holding a negotiations meeting and announcing to the Chinese delegates the termination of negotiations, and that therefore this should be postponed for a short time.

Our conversation thereupon ended.

Two days later the American secretary of state was worried over the alleged ultimatum of Obata to Yen at Peking, but Shidehara passed it off as a misunderstanding and asked him to seek a compromise from China. Again Hughes' fingers itched to take the reins in the Shantung affair and again he waited in vain for the desired invitation.

Shidehara replied to the above that minister Obata had only inquired the policy of the new Chinese cabinet and urged the consideration of this question by the Chinese government, and that he did not doubt that the report that a communication in the nature of an ultimatum had been sent, was due to a misunderstanding. He concurred in the view that to break off negotiations would be very undesirable. He asked if it was impossible to ascertain, through the friendly offices of the secretary of state, whether the Chinese would not consent to a compromise. Hughes replied that as far as he legitimately could in his position, he would try to do this.

When he saw that the renewed discussions were going to end with both sides standing fast, Shidehara told Hughes that the latest Chinese proposal was unacceptable, successful mediation was impossible with his present instructions, and that he did not wish him to intervene.

Conference
Washington-Tokyo, No. 354.

January 6, 1922.

Shidehara, conceiving that it would be fitting to inform both Hughes and Balfour, prior to the meeting of the Shantung Conference on January 6, that there would be no situation that would call for their intervention, called on Hughes on the morning of that day and told him that, when the Shantung negotiations were resumed the day before yesterday, the Chinese delegates positively refused the original proposals in reference to immediate payments and deferred payments. They had proposed as a concession at the conference yesterday that, in the case of immediate payments, they would make deposit of the entire amount upon a fixed date, and, in reference to deferred payments that they should be made by means of promissory notes of Chinese banks. In case the Japanese found difficulty in accepting this, they had said that they desired to request the mediation of Hughes and Balfour.

However, the instructions of the Japanese government were that they must insist on the proposal for a railway loan as a substitute for the joint management of the railway, and, as they were explicit, the Japanese delegates had no discretionary power. Accordingly, if at this time they immediately agree to the proposal that request be made for the mediation of both Hughes and Balfour, it was feared that it would inconvenience the Japanese government, and, of course, Messrs. Hughes and Balfour, and would complicate more and more. At the meeting of the conference this afternoon, he and his associates expect to declare that the situation at this time is not such that it demands the intervention of Hughes and Balfour. He hoped it was well understood that he himself and the others had left no stone unturned in their efforts to arrive at a settlement of these questions, but finally they had been fruitless.

Hughes said that Shidehara displayed our sincerity in the report and repeated several times that he found it hard to understand the attitude taken by the Chinese delegates and said that the efforts expended by us all for the settlement of these questions had been well recognized. He added that, at any rate, if the conference gets to the point where it is broken off, it will be a very difficult thing to reopen it again and, on that account, he earnestly desired that measures be taken, some way or other, at today's meeting to ensure that these would be an opportunity to continue the meetings.

There was no time to call upon Balfour previous to the meeting this afternoon, so Matsudaira was made to make explanations to him about the situation through Lampson.

The Japanese representatives privately accused the Chinese of a lack of sincerity in their dickering and of a desire to make trouble at first, but later they came to an appreciation of the difficulty of the situation. At the opening of the conversations, Chinese present in Washington tried to prevent their nationals from attending the meeting,

Throughout the parleys there were demonstrations both in America and in China against any settlement at all. Wang-Chung-hui threatened to resign on December 18 if the matter were not settled in a week.

On December 3 and 8 the Japanese reported that the Chinese were trying to stir up antagonism by livid interviews with the press and to bring the meeting to a standstill by stubborn quibbling and insistence on minor details. There is an excellent elementary lesson in diplomacy in the second of the two messages, diplomacy that is nothing but glorified horse-trading. In other words, hold out boldly for something you don't want for a few days, so that you may magnanimously concede it later to get a few things that you do.

Conference
Washington-Tokyo, No. 141.

December 3, 1921.

~~Washington-Tokyo, No. 161~~

~~December 8, 1921~~

~~Washington-Tokyo, No. 178~~

~~December 9, 1921~~

The replies made by Plenipotentiary Delegates Kato and Sze to Balfour and Hughes during the first session of the Shantung negotiations on December 1 were given out on the afternoon of the second and were published in the newspapers of the third. Our fair and reasonable attitude and especially the point of our expressing sympathy with the difficult position of the Chinese delegates seem to have made a general good impression.

On the afternoon of the second Wellington Koo told the press correspondents that these Sino-Japanese negotiations were informal meetings of the Japanese

and Chinese delegates and formed a part of the general conference and therefore the results would be reported to the conference. The name of direct Sino-Japanese negotiations therefore was not applicable to them. The fact that representatives of other countries sat at the same table and participated in the meetings was sufficient to prove this. Most of the newspapers published this on the third, but it was generally regarded only as a one-sided excuse.

During the first session Sze repeatedly pressed the British and Americans "observers", who had taken seats in one corner of the conference room, to sit at the conference table, and we also invited them politely enough, but they declined and would not. From the second session they sat at one end of the table, but did not put in a word.

These remarks of Sze and the announcement issued by the secretariat of the Chinese delegation may both be regarded as characteristic Chinese methods of procedure, but there is the point that we must sympathize with the difficulties of the Chinese delegates. It is therefore our intention to take an attitude of the utmost tolerance and to ignore these trifling matters on which they set their wishes.

At the time of the second session, Chinese students in several automobiles displaying banners with large inscriptions "We oppose direct negotiations" formed a kind of parade and rode back and forth through the city, but it appears that they got no particular response.

Conference
Washington-Tokyo, No. 161.

December 8, 1921.

Urgent. ~~Very Confidential~~.

Referring to my conference cablegram No. 163 (Note. Minutes of fifth session of Shantung negotiations of Dec. 7.), with regard to that part of the public property for administrative purposes acquired and improved by the Germans during the German regime (as stated in your instructions), we have been arguing for two days with the policy that the principle of return with compensation must be unequivocally accepted and then, when the Chinese made concessions in other

matters, we would concede this point. The Chinese, however, fearing public opinions, stubbornly claimed that it is impossible to accept the principle of return with compensation and that, if the Japanese had received this property from the Germans without compensation, it should likewise be returned to China without compensation, and they refused to yield. We refrained from bringing up a number of other difficult questions and feel that it would be a shame to bring the negotiations to a standstill on account of such a small matter. We insisted upon return with compensation in principle, but explained that it would not be necessary to make payment at once. We tried to change the subject of the discussion to other matters, but the Chinese refused to consent to pass on to other subjects with this question still left unsolved. Finally, a compromise was made as explained in my conference cablegram No. 163. This was due in large part to the pressure exerted upon the Chinese by the British and Americans.

We feel under the circumstances that the best policy to pursue is for the Japanese government to manifest a generous attitude and reach a quick settlement, especially as the Chinese delegates in this conference show a vacillating policy and act as though they would like to break up the negotiations, even upon a trifling pretext, at a time disadvantageous to Japan and upon questions also disadvantageous to her. In view of the foregoing, please send instructions at once to the effect that we will accept return without compensation.

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The Chinese also continually insist upon reopening negotiations about the matter of the railroads, which is the subject of my conference cablegram No. 150. Observing that British and American, especially American, public opinion is unfavorable toward our proposal of joint administration, their idea probably is that, if a clash should result over this question, a breakdown of the negotiations would result, but that since the preponderance of sympathy would be on their side, they could place the responsibility upon the Japanese. Therefore, as it is extremely necessary that you inform us without delay of the government's policy, so that we may act accordingly in negotiating this matter, please cable us at

the same time instructions in regard to our recommendations in the above mentioned cablegram.

Washington-Tokyo, Conference No. 178.

December 9, 1921.

..... Therefore, Shu^u Ji Sai was wondering whether at least the Shantung question was to be disposed of in proper fashion, and present Sino-Japanese relations made satisfactory, and whether they would proceed to leave the understanding of the Far Eastern question in this conference pending and put off decision to a favorable day.

Accordingly, although they themselves had presented their resignations, they would have interviews every day with the plenipotentiaries, and give criticisms on eventual plans, acting thus in the capacity of advisers to this extent only, etc.

It is seen from this that Shuu Ji Sai attempted no questions in regard to our future attitude on the Shantung question. All he said was: "We will not be satisfied unless there is unconditional restoration; otherwise, no matter how fair the settlement, it will not be welcomed by the people of our country. However, though we speak of unconditional restoration, it is only natural that there should be conditions within these very non-conditions". He repeatedly criticized our extreme policy in the customs question, stating earnestly and emphatically the natural reasons for an increased tax, and the reasons why it would not be to Japan's disadvantage to agree to it.

There were reports of a national economic agitation throughout China coming from Shanghai because of direct negotiations, but other parts were resigned and calm, preferring to direct their attention to the cancellation of the twenty-one demands. (The identifications in the first cable are uncertain. Dr. David Z. T. Yui, was a representative of the Chinese Educational Association, Dr. Chang Mon-lin, a member of the

United Chinese Chambers of Commerce, Hsueh Meltang, a delegate of the Shantung People's Union and Charles James Fox, editor of The North China Star, representative of the American chamber of commerce in China. Some of these might have been referred to in the ^{above} ~~following~~ message.

Tokyo-Washington, No. 758.

December 7, 1921.

~~Tokyo-Washington, No. 165~~

~~December 1, 1921~~

~~Washington-London, No. 661~~

~~December 12, 1921~~

According to a report from Shanghai, the National Diplomatic association of Shanghai could not hold its mass meeting because of lack of men, but a meeting was held in the assembly hall on the third.

It was proposed as an urgency measure to cable immediately to the Washington conference in regard to the question of direct negotiation on the Shantung question, and, besides setting forth the claims of the people of China, to start a resignation movement. But some of the members claimed that, if direct negotiation on this question were going to be refused, the only way would be repudiate the Peking government and the representatives it had sent. There was warm discussion over this, but in the end it was decided that direct negotiation on the Shantung question must be fought under any and all circumstances. They seem to have resolved that, if in repudiating the Peking government a powerful organization on the part of the people was necessary, rather than to unnecessarily, they should have each representative present his views, and then at the next meeting to devise a final plan.

Also such corporations as the Shanghai Shipping company. (Note. Text is "Sooshook sai") "Koosou" Educational Association, and the Federation of Shanghai "Kakuro" companies held emergency meetings on the fifth, because of the dangerous

situation existing in the fact that the Chinese representatives had not yet formally presented the Shantung question before the Washington conference even though the conference had met more than 20 days before.

After reading aloud cablegrams from Jo Jitsu Shoo and JWB ~~NYW~~ ^{CST}, their two representatives, ^(Peking) they sent an admonitory cablegram to the department of foreign affairs at Peking and to the Chinese plenipotentiaries at the Washington conference, warning them that the repudiation of the Shantung proposal and the twenty-one demands was the desire of the entire people, and they had stipulated its presentation before the Washington conference. They had heard now that the Washington conference would break up before Christmas, and yet the government representatives were delaying and not presenting the matter. This they ~~de~~^{de} announced as wrong. Although public opinion in China was aroused, the government, under restraint from Japan, was acting contrary to the wishes of the people. Unless the three plenipotentiary delegates could be immediately urged on to making the proposal, the people would take a more threatening attitude.

Also the "Shookaisou" Federation [Ed. Note. ~~Probably~~ ^{Could this} ~~be the same~~ as Sooshookai or Shanghai Shipping Company above?] despatched cables to "Jo Jitsu Shoo" and the Chinese plenipotentiaries saying that there must be no direct negotiation on the Shantung question regardless of when or where.

^{Conference}
Tokyo-Washington, No. 165.
Washington-London, No. 661

December ~~12~~ [?], 1921.
December 12, 1921

The principal points, today, as gathered from the news reports from all sections, of the responsive feelings which are the effect in China of the direct negotiations of the Shantung questions at Washington are as follows:

1. Shanghai districts: --

The Chinese newspapers of this section, generally speaking, have published articles in opposition to the Japanese-Chinese negotiations on this question, and among them, the Min party organs are spreading the propaganda that, if a break-down of the direct negotiations is to be caused, there is nothing left

but to disown the Peking government. The anti-Japanese newspapers have published arguments to the effect that, while it is difficult to manifest opposition to direct negotiations, especially as they are through the good offices of England and America, they had better raise the popular claim against the twenty-one demands, which include the unconditional return of their rights and interests in Shantung, during these negotiations. Also, the National Diplomatic Advisory Council on December 5, adopted a resolution to send a cablegram to the Washington conference to the effect that the direct negotiations of the Shantung questions had been traitorous action on the part of the Peking government and that they did not recognize the qualifications of the Chinese delegates dominated by it.

One Students' alliance and the Association of Business Guilds held a so-called mass meeting lasting two days, December 8 and 9, and, by way of demonstration, had a procession, and published a general declaration calling for the cancelling of the twenty one demands and also stating their opposition to the direct negotiations on Shantung, and also sent a cable to the American government.

In short, one part of the Chinese are in a state of indignation, but in general they are calm.

2. Peking.

In this section, the Chinese papers have received the reports of the direct negotiations of the Shantung question and, unexpectedly, have shown indifference. Their editorials, together with a display of dissatisfaction regarding the direct negotiations, are stating that, as the matter has gone so far and it is no longer possible to achieve the purpose of avoiding direct negotiations, they should give all support and efforts for any kind of an advantageous settlement which will recover to China the Shantung railway and also cancel the Japanese-Chinese treaties of 1915 and 1918.

The Students' alliance is also planning a demonstration for the twelfth to warn the government and to arouse the attention of the people, but it is said that the Chinese foreign office later decided to explain the status of the Shan-

tung question and to announce that this was not direct negotiations.

In the Canton section, though the Chinese papers have received the Shanghai papers, there are no particular echoes.

In Nanking although some tens of students made a demonstration of their opposition to the direct negotiations, the people are generally calm.

Obata related a plea for concessions on the Shantung railroad proposal from Yen and his general dissatisfaction at the turn of Far Eastern affairs in the general conference.

Obata answered him as austere as usual. He gives his version of the questionable interview with Yen December 27 that reached Hughes knowledge as an ultimatum. Every generality

that Yen advanced he punctured with biting ascerbity. He did not say outright that

Yen was a liar, but his contradictions amounted to that. His shortness and plainness

of speech is more characteristic of the military man than the diplomat; one can easily

see how it might be mistaken for an ultimatum even if none were intended. In spite of

his demand for an immediate reply, he found it necessary to call on Liang and sound

him out, but he didn't succeed in learning anything other than that there would be

a railway loan and it would be based on the principle of a certain railway. Unfortunately

most of the railways mentioned are not identifiable.

Peking-Tokyo, No. 796.

December 1, 1921.

Tokyo-Washington, No. 765.

December 10, 1921.

Peking-Tokyo, No. 838

December 12, 1921

Tokyo-Washington, No. 257

December 28, 1921.

~~Peking-Tokyo, No. 837~~

~~December 1, 1921~~

~~Tokyo-Washington, No. 266~~

~~December 30, 1921~~

~~Peking-Tokyo, No. 796~~

~~December 10, 1921~~

Upon the occasion of my interview with the minister of foreign affairs on December 7, he said that the Shantung question was not only a most important one between ^{China and} Japan, but that it was the most urgent one in connection with the Washington conference, and, although there has been a recognition of essential principles, etc., affecting China by the present Washington conference, in the settlement of concrete questions it has done nothing. The government wishes to settle all questions of any character in concert with all the friendly countries, but public opinion, in general, considers that the Washington conference will not bring about any practical good results in a short time and it ^p appears that this has caused in particular the rising of a tide of violent opposition to the direct negotiations. He wished to trouble Japan to make concessions and wished to settle the matter at this opportunity. If, by any chance, a start upon this settlement could not be gained and it was left for some far off future time, it is to be feared that it will become a reef for both the Japanese and Chinese governments. He desired me to telegraph my government as above.

I answered him by saying that his government always talked about the opposition of public opinion etc., but made no ^concessions desired by Japan in the settlement of this question. I then asked him what concessions he meant.

(Lautle spec)
He said that it would be impossible to effect a settlement of the Shantung question if there were not sufficient concessions gained in the Kiaochow^{ow}-Tsinan railway question. I answered that, at all events, I would report the substance of his conversation to the government.

Peking-Tokyo, No. 833.
Tokyo-Washington, ^{Conference} No. 257.

December ~~22~~²³, 1921.
December 28, 1921.

Urgent.

On the twenty-seventh I interviewed Minister [Ed. Note. Possibly, Yen] and stated the substance of your cablegram No. 755.

The minister replied as follows:

1. Because there had not been time to exchange cablegrams with Washington the status of the discussion among the plenipotentiaries of the two countries was not clear, but the contentions of the Chinese plenipotentiaries entirely represented the purpose of the Chinese government and were not merely the views of the delegates.

2. He well understood the attitude of the Japanese plenipotentiaries, but there were various forms of Chinese loan railway contracts and the terms varied for each railway so that there was no standard for the ordinary railway loan terms which Japan claimed.

3. The capital of the Keihoo railway and of the other railways was public loans of each country, but the Shantung railway was different in the point of the capital belonging to the Japanese government.

4. The Myoonei line was a trunk line, the Kokoo line was a branch. The Kokoo line had an assistant chief engineer, an assistant traffic manager, an assistant chief accountant. China wished to make the Shimpo line a trunk line, and the Kiaochow^{ow}-Tsinan line a branch, to appoint a Japanese assistant chief engineer, assistant traffic manager and assistant chief accountant and to make prompt connections. He had received a report that the Japanese delegates had expressed their assent to this.

China of course wished an early solution of this question, but unless Japan made proper concessions with respect to the capital and the time of payment it would be difficult to settle the question.

I replied:

With regard to paragraph No. 1, I had not asked for so ambiguous an answer.

With regard to paragraph No. 2, except for the Shimo and the Seidai lines, all the other loan railways had practically identical contract terms, and a general standard would be made clear by examining all the loan railway contracts.

With regard to paragraph No. 3, it was only my individual opinion, but if Japanese government capital was objectionable, it would be possible to raise a loan from Japanese capitalists and return this capital to the Japanese government.

With regard to paragraph No. 4, the Konei and the Kokoo lines had the same form of loan. The Kokoo line was short. The Shimo and the Shantung lines were entirely different in history and length and could hardly be discussed similarly. It would be absolutely impossible for Japan to make the Shantung railway a branch of the Shimo railway. The minister had suggested that, if such were the case, as a compromise China could have an assistant chief engineer, assistant traffic manager and assistant chief accountant for the Kiaochow⁶¹⁰-Tsinan railway and appoint Japanese, etc., but I had not asked for an interview today in order to discuss such insignificant details. Shortly and plainly, I wished to know whether or not the Chinese government wished to make the Shantung railway a loan railway in the same sense as the ordinary loan railways.

The minister said that this was an important question for China and he would answer after immediately consulting with the premier and the minister of communications in the council of state that day.

I said that, if that were the case, I would have to cable my government immediately, and I desired to be informed of the result the afternoon of ^{.....} Ed. Note. Possibly, the ~~same~~ next day.

Peking-Tokyo, No. 837
Tokyo-Washington, ^{conference} No. 266.

December 27, 1921.
December 28, 1921.

On December 28(?) I called on Premier Liang and congratulated him on his new appointment. At the same time, after we had both conversed freely on various topics relating to Japan and China, I referred to the circumstances of my cablegram No. 833.

The premier replied that he had a report on this matter from the minister of foreign affairs. When the Chinese government came to a decision, the intention was to make formal reply through the minister of foreign affairs. However, the Chinese government had determined that in the arrangement of this question the loan from Japan should be on the principle of a Chinese "jkk llr" railroad, and the details in connection therewith would be discussed by the Chinese and Japanese plenipotentiaries at Washington.

Washington kept Tokyo well informed as to the opinions of the American press. One of the joys of reading secret messages is the pleasure one derives in finding the human beings behind the diplomatic masks, in learning the truths behind the polite statements that appear in the press. For instance, in ~~the~~ Chapter 9 ^{on} of the Four Power alliance we saw Japan's strong desire to confine the alliance to a three power agreement and her aversion to the inclusion of France, yet a few days after the announcement of the new treaty, to slay a rumor in which there was more truth than was healthful for Franco-Japanese relations, Hanihara announced sternly that it was a base lie, or words to that effect.

In the second message below another similar incident occurs. Rather than admit the truth that everyone knew, the press and world as well as the plenipotentiaries, that the Shantung conversations were on the verge of a serious rupture, the Japanese

preferred to keep up the pretense first, that, they were awaiting instructions from the home government, and later, that they needed further enlightenment on the instructions that they had received. In the account of his interview with the press in which this reason is given, Kato adds naively that the home office is not to be confused by this polite little white lie.

Further down in the same message, he proceeds to deny a few other things concerning the Franco-Japanese secret treaty, Siberia, and the new Chita government.

If these denials be equally false as his first assertion, it is so obvious to the home government, it is not necessary to label them. He does not say they are not

true, but from our other lessons in diplomacy, we have learned by this time to

take many press statements well-coated with salt. *(Faint to follow 3rd line)*
Wu Ting-fang is foreign secretary in Sun Yat-sen's cabinet in the Canton government.

Conference
Washington-Tokyo, No. 279

December 23, 1921

Through Chinese propaganda the newspapers of December 21 reported the news of the Shantung negotiations of December 20 in a way that gave a general impression as if Japan had promised to restore the Shantung railway to China but had persisted in its position in regard to the payment of an indemnity, the time limit, a traffic manager, etc., and finally the conversations had ended in a deadlock. One or two newspapers expressed pessimistic views that the direct negotiations had finally ended in failure.

The same day, therefore, Hanihara in his meeting with foreign press writers explained the history and status of this question and stated that the negotiations were merely in a state of temporary suspension. Using two or three correspondents he made our position clear.

As a result the newspaper articles of the twenty-second were inclined to tranquility and optimism. At the same time one or two influential newspapers remarked that, in case this matter finally ended in a deadlock, Hughes and Balfour would intermediate. On account of the naval question, the quadruple treaty question, etc., the Shantung question had not particularly aroused the attention of the public and therefore the newspapers had not been discussing it, but on the twenty-second the New York Times had an editorial.

Opening with the phrase "Washington is not Tokyo", it says that the attitude of Japan with respect to the Shantung railway is a strange one. If Japan is ready, as it has heretofore declared, to relinquish its position in Shantung province, it should now give up the railway altogether, but it has proposed various conditions with respect to the time of paying for it, the appointment of traffic managers, etc. This attitude of Japan shows that after all it has not understood the spirit of the Washington conference.

The Washington Post said that when Japan had already decided to return the Shantung railway to China, it would be disgraceful for the delegates of the two countries not to settle it. The Shantung railway would ultimately be altogether restored to China and China would be grateful to the United States.

Conference
Washington-Tokyo, No. 338.
^

January 4, 1922.

At the customary interview with the Press representatives on the third ~~int.~~, Delegate Kato replied, to their questions as to whether he expected that there would be any settlement of the Shantung questions, that, though they had been held back on account of getting instructions by cable from the government on points that were not clear in the instructions, that he, personally, has thought it desirable to plan for holding another meeting upon the negotiations of the Shantung questions as soon as possible. practicable.

It is desired that you bear in mind the fact that he made this explanation about this, because it was difficult to explain why the negotiations had been discontinued.

To questions asked as to the truth of the report that negotiations had been initiated between the Japanese minister and the Chinese government in Peking, he replied that, as the new cabinet was formed while the Shantung negotiations have been going on in Washington, the interview of the Japanese minister with the new premier had been for the purpose of conveying congratulations, and that, though he could not conjecture whether or not they had spoken in regard to the Shantung questions, he believed that they were, in no sense, negotiations.

To the question as to the truth of what was published in the newspapers about intervention by Hughes and Balfour, he replied that, up to today there had been no such thing.

To the questions asked about the Franco-Japanese secret treaty in reference to Siberia, published by the Chita government representatives on the first, he made the positive statement that it was positively a lie; that he, personally, has been a member of the cabinets during the past seven years and has not heard of anything in regard to this matter; that about November of last year the Japanese cabinet had laughed together over an account similar to this that was in a despatch from Paris.

Since what the Chita representatives had published on the third, in complaint that there had been an agreement made between a Japanese military representative and a political representative of the Russian Semenov government to the effect that concessions were given Japan in return for 500,000 yen given for the purpose of attacking and defeating the Chita government, was read out among the correspondents, he answered that no such agreement was ever concluded by any military representative, because there was no authority given and no mission sent for that purpose and that, had it, by any chance, been done by the cabinet he would have known of it, and, therefore, that it was absolutely a falsehood.

To the question about when Siberia would be evacuated, he replied that the Japanese government will evacuate it when it is stabilized and when there are no prospects that it will become a menace to Manchuria and Korea and when the Chita government gives guarantees to this effect.

Finally, he gave a definite statement in reply to all these questions to the effect that Japan was not adopting a policy of conducting Siberia's domestic affairs.

Conference
Washington-Tokyo, No. 352.
A

January 5, 1922.

In connection with what was published on the fourth, in the way of reports about the reopening of the Shantung conversations there were unfounded rumors that it was due to British and American intervention. Delegates Kato, at the time of the interview with the press correspondents, denied the rumor as baseless and said the reopening of negotiations had been moved by Japan. This was published in many newspapers of the fifth.

On the afternoon of the fourth, the Associated Press distributed a report to all the papers of the fact that the representative of the Canton government in New York had received a despatch from Wu Ting-Xang to the effect that the Chinese delegates had been given instructions by the Peking government to admit the Japanese demands in reference to the Shantung questions.

The Shantung conference reopening suddenly of the same day was construed to have some relation with what had been published. Not a few papers jumped to the conclusion that the question was near settlement. On the other hand, in spite of the denials we had made of there being any negotiations in Peking, some papers commented on the attitude of our country and also published articles to the effect that the settlement of these questions was not made in Washington but in Peking, and that the Chinese delegates have been betrayed, etc., etc.

Conference
Washington-Tokyo, No. 378.
A

January 9, 1922.

Delegate Hanihara, on the sixth, as soon as the Shantung meeting ended in a deadlock, gave an interview to a number of the home and foreign press correspondents and explained to them the standpoint of our country in reference to these matters, that this was not a question of selling a railroad, that the conclusion of railway loans between the Chinese government officials and foreign capitalists, as in our proposals, is nothing new and that, at present, the Japanese delegates are not asking for the mediation of England and America, all of which was published by all of the newspapers simultaneously on the seventh.

the Shantung questions and their progress hitherto and intimated that our latest proposals are our maximum concessions. In addition, in answer to the inquiries of the correspondents, he replied clearly that in reference to

Having obtained a clear view of our attitude, the Chinese delegates also sent for the foreign press correspondents on the evening of the sixth, but, because it was too late, there was not much published in the newspapers of the seventh.

At present, all of the newspapers are paying attention to the deadlock on the Shantung questions and are conjecturing that there will be some settlement finally arrived at through the mediation of England and America.

The secretary of state, according to the newspapers of the seventh, answered the inquiries of the press correspondents to the effect that:--

1. Unless America receives some application from both Japan and China, she will not take any measures; that, although he expected a visit from the Chinese delegates on this day, ~~but~~ as long as he received no call from the Japanese, he would consider the request of the Chinese to be unofficial.

2. The bringing about of an rapprochement between Japan and China upon their demands will bring the negotiations to a satisfactory conclusion.

3. That he had no knowledge whatever regarding the reports that the Japanese had been successful in their negotiations at Peking and that he could tell them nothing whatever about whether or not the Japanese ^{have} had any negotiations with Peking.

Referring to my cablegram No. 378, all the newspapers have since published articles on the Shantung question for several days. They generally gave out the view that whatever settlement is arrived at in reference to these questions will finally be through the mediation of England and America. On the tenth the New York Herald, as in my cablegram No. 384, published an article to the effect that concessions would be made by us, in consequence of which the other papers showed an inclination to take a more optimistic view.

On the other hand, articles were published in two or three influential newspapers to the effect that, while it is not easy for Japan to make concessions in connection with the Shantung questions and she is waiting for the opportunity to advantageously settle the question of the twenty one demands and the Siberian questions directly, she is open to the settlement of them and will finally make a compromise upon the Shantung questions.

In view of the indications that the Washington conference will be prolonged beyond its expectations, not a few of the newspapers give the Shantung question as one reason for it. It appears that this sentiment has not only struck the press but, also, the delegates of the other countries, and Balfour, at the time of his interview with the English newspaper correspondents on the tenth, said that, from his view of the situation of things at the conference, though he had expected to leave on the fourteenth, he had postponed it for a few days longer, and added that the principal reason for this is because of the importance the Shantung question has assumed in the situation at the conference.

Thereafter the wrangling dragged on for fourteen more meetings until the last day of January. In the twenty-second encounter January 11 the Japanese agreed to withdraw the troops from the railway in six months. China was to be permitted after the two succeeding conversations, to build the extensions from Kaomito^{to} Hsuehchow, Tsinan to

Shunteh, Yentai to Weihsien and Chefoo to Weihsien herself; others were to be financed by the consortium. The instructions from Tokyo that we saw in No. 215, 237 and 238 above were released as the final concessions January 1st.

In other words Japan would surrender the railway for \$15,000,000 American payable in fifteen year bonds redeemable after five years provided Japanese experts and a chief accountant were employed. If China refused this offer, negotiations were to be broken off and no mediation attempted. Tokyo added rather crossly, if China could pay cash, let her pay first her \$60,000,000 loan.

The matter was temporarily laid aside while they sought agreement on other matters. ~~Everything laid aside while they sought agreement on other matters. Every-~~ thing else had practically been cleared from the table by January 25, and it became necessary to resume talk on the white elephant. Harding was rumored to have intervened because of a visit of Sze to the White House with Hughes.

In the thirty-first session the Japanese advanced a compromise offer on the railroad. China would be permitted to pay in five years by a loan from a Chinese syndicate. In the meantime two assistant Japanese officials, an auditor and a traffic manager, would be employed. Dr. Wang announced that China was ready to accept these terms January 27 and the next day China agreed to pay 53,000,000 gold marks in fifteen year treasury notes with an option of cancellation after five years and Japan would get her associate auditor, but he would work under a Chinese managing director.

All revenue was to be turned into Chinese coffer^s_^ after the transfer which was to be completed in nine months. Final details were arranged January 31,. It was announced in the plenary session of February 1 and signed in the Pan-American building February 4, 1922.

#

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Part V ,
Shantung .

Chapter 17 .
All's Well ,

Besides the troublesome question of the disposition of the Shantung railway, there were the problems of wharves, public works, lights, telephones, laundries, salt works, and troop withdrawal. These were solved comparatively easily, the first four being disposed of early in the conversations.

In the last chapter we saw where the two opponents were unanimous for the return of German public property to China and the operation of the mines as a joint enterprise; where they agreed partially on troop withdrawal when the Chinese police were sufficiently reliable and available; but where they differed as to the surrender of the salt works at Tsingtao, the transfer of all cables and wireless to China; the return of expropriated land, the opening of inland cities for foreign residence and trade, and the appointment of a commission to settle details.

Beside the railway problem the restitution of public properties and^uilities were the first discussed and agreed upon. This was followed December 8 with arguments as to the opening of the port to foreign trade and the disposition of the salt industry.

~~Washington-Tokyo, No. 198~~

~~December 10, 1921~~

~~Washington-Tokyo, No. 199~~

~~December 12, 1921~~

Proceedings of the sixth session of the negotiations on the Shantung question held December 8, are as follows:

1. With regard to the disposition of public works, reference was made by the Chinese to the disposition of wharves in China. We replied that as the enterprise connected with wharves had a close connection with the railway, matters pertaining to warehouses and wharves should be discussed in connection with the question of the railway. The Chinese pointed out that, in view of the fact that the wharves had a close connection with foreign trade, it would be more reasonable to have them come under the maritime customs as was the general practice, or rather to include them in the subject of property to be returned to the municipality. There were actually three of these wharves in Tsingtao and these were not all connected with the railway.

We did not discuss the present situation in detail, but said that we considered it more expedient, since the wharves had a close connection with the railway in that they furnished connection between land and sea, to discuss them at the same time as the railway. The matter was then dropped for the time being.

2. With reference to reaching a suitable agreement about the maintenance and ownership of public works, various opinions were advanced by the Chinese. Their statements were, briefly, that China was giving extensive study in such provisions as these relating to general advantage and prosperity and they did not wish to act without consideration for the general good, but that the best way would be to entrust these matters to

the correction of China herself and leave entirely to the discretion of China their execution in good faith. It was difficult at the present time to make a previous agreement as to what decisions would be reached.

After various questions and answers, the Chinese stated their proposal, i.e., that they wished merely to come to an understanding with reference to the maintenance and ownership of public works to the effect that "foreign interests should have a fair representation". After due consideration, the matter will be brought up again for discussion.

3. Since the opening of the conference, the Chinese unfortunately have had a tendency to lack sincerity and to resort to useless arguments. We called this to the attention of Wang Chung-Hui, but in today's meeting, in comparison with meetings up to today, they manifested a sincere desire to further the progress of the conference. I think they may have been secretly urged to do so by the British and Americans.

4. Further discussion will be held in the next meeting which will be a double session on the morning and afternoon of December 9.

Conference
Washington-Tokyo, No. 196.

December 10, 1921.

Among the provisions for the disposition of property at Tsingtao, in reference to transferring the electric lights, telephones and stockyards, which up to this time have been managed by the government, to private enterprise, it appears that it will be necessary to give sufficiently clear explanations that it was a sacrifice made especially to encourage private enterprise, making the attempt to explain, if possible, in the conference meeting ~~and~~ ^{as to making} the Chinese yield on the points of the electric lights, stock yards and laundries, for the reason that the telephone enterprises are worked in union, there are hardly any signs that they will agree to our proposals.

On reconsideration, as you know, among the telephone enterprises in China, there are hardly any which are private enterprises in any place,

so that they are, in general terms, all under government management, and, at any rate, so long as there is no clear right to encourage private enterprises, ^{there} will be nothing left to do but to consent to turning them over to China, after receiving compensation for the improvement and extension of the enterprises.

We think that obstructing the progress of the negotiations on comparatively small questions like these will have a very disadvantageous effect on the general situation, so, after due consideration, please cable your instructions to me at once.

~~Confidential~~
Washington-Tokyo, No. 199.

December 12, 1921.

~~Confidential~~

[See above Chapter III.]

(1) We do not, of course, wish to bring up immediately the proposal relative to a loan railway. Our only purpose is to continue the discussion of other questions and, after getting an accurate knowledge of the Chinese attitude, as a policy growing out of the latest development of the situation, finally to try to effect a settlement of the Shantung question with one effort by presenting this loan proposal.

(2) In the statement that in estimating the value of Japanese investments in the railway, Japanese property to be offered to the railway must also be included, the property to be offered to the railway means, according to your conference cablegram No. 58, barracks along the line of the railway, land and buildings necessary to the railway (including reclaimed lands) and hospitals. If it is agreed to class, as pertaining to the railway, the hospitals, barracks and other buildings built by the Japanese and to return the value of these properties by means of a loan, this is a fair arrangement, but, when we come to land and reclaimed land, the only thing to do is to decide whether it is to be returned with or without compensation in accordance with the general principles laid down

about the disposal of government owned property and then return in the form of a loan the sum amounting to the value of the part decided upon to be returned with compensation.

(3) The questions of the Chinese have throughout been very detailed while we have not had detailed data at our disposal and have therefore felt it difficult to make replies. With regard to the estimate of the value of the property which we are to offer to the railway as mentioned above, please send instructions at once giving details about Japanese investments in the railway and mines since the occupation.

With the exception of expropriated land which remained unsatisfactorily in mid-air for future wrangling, most minor problems were more or less quickly and amicably settled.

Conference
Washington-Tokyo, No. 574.

February 1, 1922.

Referring to your cablegram No. 369 (Note. Not received), it will be proper at the time of the transfer of the leased zone to make a suitable agreement about the land regulations as public property or as vested rights of foreigners. At the eighth meeting the fact of compulsory purchase was insistently pointed out. We explained positively that it was baseless, but the Chinese stubbornly adhered to their own view and for this reason these debatable questions were finally left to be considered by the joint Chinese-Japanese commission.

The Chinese claims in this land question are very firm. In the thirty-second meeting they raised the question of indemnity for illegal acts and again presented the land question. We therefore think that it will be the best policy later as circumstances may require to give precise and detailed explanations of questions of this kind and reach mutually satisfactory understandings.

For a time the salt question threatened to rival the railway loan in importance and the plenipotentiaries had to plead for concessions. The story is simply and plainly told in the following exchange of cables. A kin is equivalent to 1.3 plus pounds.

Conference
Washington-Tokyo, No. 200.

December 12, 1921.

~~Tokyo-Washington, No. 214~~

~~December 22, 1921~~

~~Washington-Tokyo, No. 358~~

~~January 7, 1922.~~

Very Urgent.

In regard to my ⁵conference cablegram No. 198 (Note. Minutes of ninth session of Shantung negotiations December 10), the Chinese claims concerning the disposition of the salt industry in the Shantung question are very strong. While it is difficult to carry through our claims,-- since, formerly in China, salt was prohibited for export, and the whole salt system is being unified with the help of foreign countries, etc.,-- and while, even if, in accordance with these claims of ours, private enterprises are recognized, ^{should} any such measures ^{be} ~~are~~ taken as the levying of a heavy tax, the enterprises would ultimately be of little profit to our countrymen. ⁵ ⁶ ~~we~~ we are of course at the same time doing our utmost to have our policy acceded to.

Yet on the other hand, we think that from a consideration of the aspect here and the general situation that will induce the present settlement of the question, it may be very necessary to give immediate consideration as well as to a plan of mutual compromise, in the event that the other side maintains its demands to the bitter end and cannot

be moved. In our present opinion the two important points are:

1. In regard to private enterprises carried on by Japanese, there must be a suitable compensation made. The amount of this compensation is to be determined by the sum total of the investment plus the estimated amount of prospective profit within a fixed period.

2. In regard to such amounts of salt as shall be required by Japan in the future, export of the product from the port of Kiaochow shall be permitted. However, there shall be a separate agreementⁿ concerning the quantity of salt and the amount to which it is to be taxed.

We think, regarding the amount of the compensation in 1. above, that agreement should be reached on 6,000,000 Yen invested funds and on the limits of the amount of prospective profit to be added to this. If it so suits China, it is not necessary to pay this whole amount at one time; instead, we will recognize payments made in salt in quantities equivalent in value to the amount of the compensation. As for those in the salt industry, we think reimbursement by Japanese government bonds should be the plan of settlement.

When you have given the above your consideration, please cable immediate instructions. Also, in the event that you approve the proposal, please cable the estimated maximum and minimum Japanese annual receipts of Shantung salt.

Conference
Tokyo-Washington, No. 214
^

December 22, 1921.

In your cablegram No. 200 you say that the Chinese claims concerning the salt industry are very strong.

Their principle objection will probably be against the interference with the unification of the salt gabelle and with the prohibition of the exportation of salt, but, as you are aware, the salt industry along the Shantung coast has up to this time been entirely private business independent of the general Chinese salt administration, excepting that

the importation of this salt into the interior of China is prevented and the use of the government salt is compelled. Also up to this time the Kiaochow^{ow} Bay salt industry has been developed without any connection with the Chinese salt administration and its exportation has been free since the German regime. For this reason a special exception can be recognized and it is needless to say that no bad effect will be produced on Chinese finances.

Especially, in view of the fact that the present prosperity of the Kiaochow^{ow} bay salt industry has practically been brought about by the efforts of Japanese business men, if, in accordance with the Chinese claim, the industry is to be placed on the basis of the unified system, there is reason to give consideration to their interests alone (Note. Some obscurity in this sentence). The rights of our business men were legally acquired and, even from the point of view of the strict principle of vested rights, there is every right to claim this. A proposal to refuse to permit their proprietorship because they are foreigners would lie open to refutation as an idea springing from a kind of ideal of exclusiveness.

In short an attempt, even if compensation is paid, to ^{Ed. Note.}/Possibly, mono-
polize^{or nationalize} an industry which has been developed by others and ~~in which has been developed~~
~~by others~~ and in which much capital and effort has already been invested cannot easily be approved from the standpoint of the government, and, as you know, the Shantung salt industry has an important relation with the daily life and industrial conditions of the Japanese people, and as stated in our cablegram No. our government attaches great importance to it. We have given consideration to your cablegram, but, regardless of everything, you are desired to make renewed efforts to carry through our original proposal. If in spite of this the Chinese absolutely refuse to yield, you will again report the circumstances and ask for instructions.

During the past few years the total amount of Kiaochow^{ow} Bay salt exported to Japan (including Korea) has averaged about 450,000 kin per year

and it is thought that this amount will increase from year to year.

The above is for your instruction and guidance.

^{Reference}
Washington-Tokyo, No. 358.

January 7, 1922.

Urgent.

Referring to your cablegram No. 214, in accordance with your instructions, the utmost efforts will, of course, be made.

The facts that the Kiaochow^{ow} bay salt has been, up to the present, developed without any connection with the Chinese salt administration, that from the time of the German regime, its export has been free, that it ~~was~~ legally acquired by the Japanese, that a large amount of capital and labor have come to be engaged in it, that salt is something that has a great relation to the daily existence and industrial conditions of Japan, etc., freely serve to support our original proposals. On the other hand, the facts that salt, in China, is recognized by all countries to be a product which it is forbidden to export, that the Chinese salt administration is being unified upon the basis of foreign assistance, etc., form a basis for the strongest opposition by the Chinese to our claims. As the main principle for the settlement of the Shantung question is the giving up of Shantung province entirely and the restoration in entirety of China's sovereign rights, and China, in the spirit of this, will wish to abolish the exceptions which have been made in that province up to the present and to make a uniform administration, an insistent demand on our part for a unique basis for our existing exceptional privileges and rights, and for the recognition of existing exceptions and variations from usage might be out of place.

Though it is difficult to forecast the future progress of the Shantung negotiations, if, by any means, a settlement is arrived at on the most difficult railway questions, it is our idea that it is desirable to reach understandings upon the other questions on a fair ^S basis and to close the discussions at one effort, and not lose the opportunity to get a signed memorandum of the main principles of the settlement.

One obstruction to this plan is the question of the salt industry.

to your cablegram No. 214, if, in spite of the greatest efforts having been expended to accomplish the original proposal, the Chinese will not make any agreement whatever, then we must report the situation and ask for instructions, but we think it is necessary and politic at this time to try to arrive at an immediate ^e decision at one stroke, and there may not be time to get your instructions in each instance. Therefore, concerning the settlement of the salt industry question, we consider it essential that we be informed what is the final degree of concession which will be made in case of inevitable necessity. After you have given due consideration to the humble opinions we have also submitted in our cablegram No. 214 (Note. Wrong number - clerk evidently put in same number he had used in previous references), please send instructions as soon as possible.

In connection with the above question there will be several matters that will require consideration, such as the administration, up to the present, of the Tsingtao garrison and also those in relation to Japanese business men, etc., and, to make the Chinese, ^m addition, agree to authorize our salt export and to offer proper compensation to our business men, and to adhere strictly to our demands in all respects may have the unspeakably regrettable effect of blocking the settlement of the Shantung questions entirely.

At present the future developments, in this question, which is the essence of a harmonious solution of the whole Far Eastern question, and, especially, what attitude Japan will take, are attracting the devoted attention of both the government and the public here and, leaving aside for the moment the right or wrong of the matter, if the negotiations are longer delayed or end in a rupture, slander and denunciation, ^{would certainly be concentrated upon us and it is feared} ~~and it is feared~~ that it would bring about a situation that would be exceedingly disadvantageous for our national position.

Especially, we are sure that it would be mistaken policy on our part to incur a recrudescence of denunciation against us through the negotiations being again caused to come to a standstill on account of this salt question alone.

We therefore earnestly hope that you will give consideration to these humble suggestions, and will take into account only considerations of broad policy.

After one more cable of protest in which permission is asked to settle the question as the Chinese desire, since the right is stronger on their side this time and they tend to respect the interests of Japanese private citizens, and since more favorable bargaining as to details can be done later on the spot, the Japanese decided to turn over ~~for compensation~~ the salt ~~to~~ fields within six months to the *for compensation. The latter* Chinese ~~who~~ would respect foreign vested rights and interests lawfully and equitably acquired, giving the Japanese the right to buy a certain percentage of the yearly product for a period of years.

Conference
Washington-Tokyo, No. 546.

January 27, 1922.

Very Urgent.

Referring to our cablegram No. 528 (Note. Minutes of thirty-first session of Shantung negotiations), there is no prospect whatever of carrying through our contentions in the salt fields question and, as we are afraid that, if we reach a solution of the railway and other questions, the whole Shantung negotiations may be made to break down on this question alone, ~~It~~ it is under these circumstances that we have been brought to make the following recommendations.

You cabled us long ago that there was no objection to making a settlement in accordance with our opinions. Needless to say this question is the most difficult next to the railway question, and, if we may state our own opinions, we think that the foundation of the Chinese case is perhaps rather stronger. Even from the point of view of considering the interest

business men, there is no reason why they should feel especially distressed as long as they receive suitable compensation.

The attitude taken by your plenipotentiaries in these Shantung negotiations has been to work unhesitatingly in a spirit of fairness and conciliation to compromise with the legitimate aspirations of the Chinese and to avoid any course of trifling with actualities. This is consistent with the fundamental policy of the Japanese government. For this reason we considered when we came to adjust this question that we should not use it as material for trading or bargaining about the railway or other questions, but, even if it came up for discussion before the railway question, for example, we should not evade it, but it would be by far the best policy from a broad point of view to find some compromise solution by an unreserved exchange of views.

The discussion of this question in the thirty-first session of the Shantung negotiations is reported in the above-cited cablegram. Fundamentally there was no large gap between the views of the two sides. We wished to lay stress on the interests of Japanese citizens based on vested rights, while the Chinese wished to have a clear provision for purchase on the ground of the unification of the monopoly system. It is clear, however, from this discussion that the Chinese do not ignore the vested interests of Japanese citizens. Finally we do not think that the formula given in cablegram No. 529 is inconsistent with the main points of our cablegram No. 200, and we request your approval of it.

To make the concrete plan of settlement as favorable as possible to us there will be a chance for further negotiations when we come to the detailed agreement. In a matter of this kind, the question of respecting rights based on a practical condition can best be agreed on by examination on the ground. If we leave the practical situation and discuss only abstract conditions, the Chinese delegates will be willing to play that game but, as arguments, their contentions are stronger than ours and have more appeal to foreigners and we feel that this process would not facilitate our securing all our aims. We therefore consider it far better to leave details and particulars

for later negotiations and for this reason we have now in the first place made an agreement concerning the principles of the question. When you have considered the above facts, we request that you cable us something about the date for concluding a detailed agreement as to the terms of purchase.

Realizing that the presence of Japanese troops was a sore spot not only in the eyes of China but also in those of the world as well, the Washington plenipotentiaries wished to take the initiative in this matter to eradicate this ill-will breeder before egged into action by the Chinese. ^(text to follow or call?) (For No. 150, see Chapter 16.)

Conference
Washington-Tokyo, No. 164.

December 8, 1921.

Our fixed policy in regard to withdrawal of troops from the Shantung railway has already been announced in the conference committee on Pacific questions. Although we think that the explanation was strong enough to remove former misunderstandings of the Chinese and the other powers, yet the Chinese still have a tendency to bring up unnecessary suspicions in regard to our effecting the withdrawal, and by linking this up with the question of foreign troops in China, to utilize it as propaganda^a against us.

In the first place we regard withdrawal from the Shantung railway an entirely separate question from that of the eventual disposition of Shantung. Of course we could hardly neglect the matter of guarding the railroad, and at the same time it was impossible hurriedly to bring about the formation of a powerful Chinese ^olice force; so to accomplish the protection of the railroad and the safety of traffic in the interval, we without any ill-will left a remainder of our garrison. It is most regrettable that this had the tendency to make China and, of course, the other great powers suspicious. Comparing and pulling together the facts, we think that the devising of a means of military evacuation of Shantung as soon as possible will for this reason facilitate a satisfactory solution of the Shantung question.

As a matter of fact it was resolved in the cabinet council in May to start a gradual withdrawal in sections, corresponding with the organization of a Chinese police force, but we know that finally, out of concern for the above-mentioned circumstances, you intend to develop the situation by settling the question of withdrawal as soon as possible.

However, not only do we think that the formation of a Chinese police force, even a partial one, will be hard to accomplish in the near future, but we consider that it can be utilized as material for attacking and defaming us. It will therefore be necessary to consider the question of evacuation.

As we stated in our cablegram No. 150, ^(Tint) in case we withdraw our proposal, ~~if the Chinese demand immediate withdrawal~~, for joint control of the railroad, the question will naturally resolve itself, and, compared with the case of joint control, to the question of railway protection there would be no objection to giving separate consideration. That is to say, if the proposal for joint control is out of the way, and the other fundamental principles are approximately arranged, it may be that taking advantage of the withdrawal of the joint control proposal, and before the Chinese demand immediate withdrawal, we can take the initiative and press the speeding up of the organization of the Chinese police force. At the same time we think it would on the other hand be most opportune and also strengthen our position very much to make the announcement that regardless of whether the Chinese police force is perfected, our garrison will be withdrawn from the entire railroad within a fixed period, say six months, after the outlined agreement concerning eventual disposition. 7

After you have considered the above cablegram in connection with the question of the proposed joint control for the railway, please cable your instructions.

As for the Japanese cable desires, we learn more of them in the succeeding chapters on Yap and the Pacific cables. There were, however, certain cables running out of Tsingtao under German control which had to be dealt with separately from the general communications

conference. Tsingtao, by the way, is situated on the southern side of the Shantung promontory which is north of the estuary of the Yangtse-kiang on which lies Shanghai.^h
Chefoo is a small port on the northern side of Shantung peninsula. Nagasaki and Sasebo are ports on the western side of the main southern island of Japan, Kyushu. While Dairen, otherwise known as Dalny, is the chief civilian port in the Japanese leased territory on the south-eastern tip of the Liaotung peninsula.

The Japanese desires are expressed in the following message. They wished to retain the Tsingtao-Sasebo cable, but were willing to return all the others. In the thirtieth meeting January 19, however, they renounced all claim to the Tsingtao-Chefoo and the Tsingtao-Shanghai cables, but retained the Tsingtao-Loochoo line. They like wise promised to return the wireless stations at Tsinan and Tsingtao on final evacuation of troops.

Conference
Washington-Tokyo, No. 359.

January 7, 1922.

Urgent.

From Hanihara.

Having received instructions in your conference cablegram No. 68 in regard to submarine cables in the disposition of the Shantung question, every effort will of course be expended in order to make the Chinese yield to the essential points of our original proposal.

However, we over here know that regardless of whether, as in the Tsingtao-Shanghai cable, we cut and confiscated the greater part of the cable, the Chinese will by no means consent to any such terms as that the Chinese government shall lay these cables as soon as possible. Even if we appeal in this to the judgement of impartial representatives, it will be difficult to have it reasoned that our

claims are just. So, dependent on the trend of the discussions, we wish to induce a harmonious settlement by bringing forward at our discretion the three proposals given below, not claiming as our terms the restoration of the Tsingtao-Shanghai cable.

This is in the spirit of our recommendations made thus far that the manner of solution of the Shantung question is the criterion in the settlement of all Far Eastern questions and in the effect exerted upon our international reputation. Although it is not hard to conjecture what will be the consummation of public opinion in Japan (Note. Whole passage doubtful) in regard to our extremely liberal attitude, it is the inner conviction of the plenipotentiaries from a close view of actual conditions here that an immediate settlement of this question by one great and wise decision will affect our history for a century to come.

It is earnestly hoped that you will particularly sympathize with this sentiment, and, after taking conditions in Japan into consideration, decide to leave the following three proposals to the discretion of the plenipotentiaries to choose from as they may see fit.

Proposal 1:

a. Abandoning the right to the Tsingtao-Shanghai cable and the Tsingtao-Chefoo cable; these cables shall be assigned to China in their present state.

b. The Tsingtao-Sasebo cable shall be retained in conformity with the precedent of the Shanghai-Nagasaki cable.

Proposal 2:

In case this question of cables is left to be settled entirely at a later date, it shall come under consideration at the same time as the Shanghai-Yap line.

Proposal 3:

The Tsingtao-Sasebo cable of (b) under Proposal 1 shall be handled in conformity with the Dairen-Chefoo cable.

Beyond deciding to withdraw troops from the mines and leaseholds within three months

on January 11, discussion of the former did not arise until almost a week later. In the twenty-ninth session they concluded to divide capital for operation equally between them, permitting China to use foreign capital in her share of the enterprise. Misunderstandings of this settlement arose, however, resulting in an explanatory cable.

^{Conference}
Washington-Tokyo, No. 474.

January 22, 1922.

With reference to the decision regarding the disposition of the mines along the line of the Shantung Railway mentioned in our conference cablegram No. 496 (Note. Wrong Number), a report is being circulated that Japan will restore these mines to China, but that their ownership shall be in accordance with the Chinese law and that companies granted a special charter by the Chinese government shall acquire them. This, of course, is contrary to the facts. We declared specifically in the conference meeting that companies acquiring the ownership of these mines cannot be subject to Chinese laws and, in short, we consistently maintained our claim that the mines should all be financed by a combination of capital upon a basis of absolute equality for Japan and China. The fact that we avoided the form of ceding them to the Chinese government, we suppose you understand from our successive cablegrams.

There is the phrase "Chinese companies under special charters", but we did not accept that all these Chinese companies should be subject to Chinese laws, nor was it specified that companies should be established under the Chinese laws, and such was the understanding in the negotiations. It was made clear from the time that the Chinese delegates presented the original proposal that it would be fair for these companies to be either private or public (Note. Translation doubtful), but the Chinese feared the effect on public opinion. However this may eventuate, we confined ourselves to expressing the desire that an insertion be made to the effect that they should receive special charters from the Chinese government. That these companies will be Sino-Japanese companies is beyond question. All details about methods of formation, etc., will be deferred for later discussions.

The substance of the foregoing is clear from the minutes of the meeting, but I transmit it for your information to supplement the preceding cablegram.

After excepting the right of leasing land for agricultural purposes, China expressed the desire to draw up a treaty. This, strangely enough, had to be drawn up in English, for that was the only language in which all plenipotentiaries were equally proficient.

Conference
Washington-Tokyo, No. 536.

January 25, 1922.

~~Washington-Tokyo, No. 559~~

~~January 29, 1922.~~

Referring to your cablegram No. 340, it was already particularly pointed out in the Chinese answer to our memorandum of October 7, 1921 that because of the fundamental relation of agriculture to the existence of the people, it would be impossible in future to permit foreign control. We feel that this contention is based on the same ground as the constant stubborn opposition to making the land-tax a security for foreign loans, namely, because of the Chinese national peculiarity which makes the opposition of the local population something to be particularly feared.

During the discussion of the question of the leased territory in the twenty-fourth session of the Shantung negotiations on January 12, when we suggested a provision for freedom of all lawful occupations, Plenipotentiary Sze immediately emphasized the exception of agriculture. This is to be considered as connected with the Chinese internal situation described above, and as a practical question there are probably few Japanese actually engaged in farming within the leased zone, so we thought it impolitic to impede the progress of the whole question on account of this comparatively unimportant point. From the point of view of considering the dignity of the Chinese, we therefore merely said as a

matter of form that the Chinese contention was not necessarily correct, but announced that we had no intention of going further with the claim concerning agriculture and immediately went on with the discussion of the fundamental question.

As a result of the foregoing, it may be that in future foreigners will not be allowed agricultural property in the leased zone, but, with regard to men at present engaged in farming, when we come to make the detailed agreement later, every effort will be made to have their rights respected under the general principle of respecting vested rights, or, in case of inevitable necessity, it is thought that there will be some way to devise an eventual course of action on the basis of proper compensation.

It would perhaps be better if we could make some understanding at this time to reserve this future disposition, but, if we go on in this way constantly to raise trifling complex questions as to what are vested rights, we may not only upset the question, but, if we begin reopening a matter which has once been agreed on, the bad effect may extend to other questions. Considering this very undesirable, we shall in future take a favorable opportunity such as when the treaty is drafted, and make every effort to reach such an understanding, but we wish to avoid taking a special initiative to bring the matter up at this time. We request your approval of this.

Conference

Washington-Tokyo, No. 559.

January 29, 1922.

Very Urgent.

Referring to our cablegram No. 550 (Notes. Minutes of twenty-third session of Shantung negotiations), we have not yet reached a proper occasion for reporting what may be the future developments of the railway question which had been the crux of the Shantung negotiations, but, if we should fortunately attain substantial success, unless we complete the signature of the treaty without losing the opportunity, it appears from your successive cablegrams describing the present chaotic condition of the Chinese government that unexpected obstacles may arise

and cause the failure of all the effort we have hitherto expended. At the same time, although we have not reached a solution of the whole question, the Chinese delegates have already taken the initiative in proposing that a treaty be drafted, so it appears that they now expect a satisfactory solution of the whole matter. We therefore request that you cable credentials empowering the three plenipotentiaries to sign a Chinese-Japanese treaty.

Naturally it would be proper to have this treaty drafted with two texts, Chinese and Japanese, but among our assistants there is no one proficient in the Chinese language and among the Chinese there is no one who is a master of Japanese. It is thus a practical impossibility to prepare Chinese and Japanese texts. Furthermore all the negotiations so far and all the texts of clauses and agreements have been in the English language. In case therefore it should be necessary in spite of everything to prepare Japanese and Chinese texts, there would result not a little perplexing argument about translations. There are precedents of other nations having concluded treaties with the definitive text in a foreign language. We therefore especially request your approval of making this treaty with an English text. Please cable instructions at once.

The treaty was drafted January 31, and announced in the plenary session of February 1, though the mode of transfer and the rate of interest on the loan was unsettled. The Japanese and Chinese signed the agreement in the Pan-American building February 4. There was a marked improvement in Sino-Japanese relations after the signing of the treaty.

Washington-Tokyo, No. 660.

February 11, 1922.

Since the latter part of the Washington conference, the Chinese plenipotentiaries here seem at last to have been impressed with the fair policy of Japan and with her influence among the Allies. They have shown marked courtesy in their behaviour toward us. Particularly since the settlement of the Shantung question,

the attitude of the Chinese here, as compared with before the Conference, has seemed to have undergone a complete change.

Wang Chung-Hui, the most serious of the Chinese plenipotentiaries, told us that he considered the settlement of the Shantung question a golden opportunity to sweep away the ill-feeling which up to this time lay hidden between Japan and China, and he purposed to attempt an enlightenment movement everywhere from Shanghai to Peking.

Many also among the British and Americans thanked us for the noteworthy fact of the improvement in Sino-Japanese relations.

All certainly was not so amicable even after the resumption of conversations January 11. As a last threat China had announced to the press that she would introduce the dreaded twenty-one demands into the Washington conference for consideration and action by all powers. In chapter 14 we considered the first group of demands which had to deal with Shantung. The second group concerned Manchuria and Inner Mongolia: Japan was to get an extension on her inherited lease to Port Arthur and Dalny to ninety-nine years and the same for the South Manchurian railway with rights to build extensions and special rights in Inner Mongolia.

The third group gave Japan right to one-half ownership in the Hanyehping company, China's only important steel concern. China agreed not to lease any port to any foreign power in the fourth group and the fifth specified the employment by China of Japanese experts and the granting of certain special rights, such as land for Japanese hospitals, churches and schools, etc.

The first group was cancelled by the Shantung settlement, the fourth China agreed

to voluntarily and the fifth Japan consented to drop without further discussion.

As early as September 10 there was a rumor that Japan would discard them in entirety for the right to purchase rights and interests at Dairen, Port Arthur and Southern Manchuria in return for certified extension of the lease to the desired ninety-nine years. This was denied at the end of the month. After the opening of the conference Japan stated she would not oppose the examination of these demands if the occasion rose. It was just a few days later, we saw^w in Chapter 15, that Hanihara received word from Root that the subject would not be included in the agenda. Evidently the Americans neglected to notify the Chinese at the same time, for on December 14 they demanded the abrogation of all treaties resulting from these demands in the Far Eastern committee.

China's statement the next day for abrogation included the following indictments: they contravened the Root resolutions; they violated the independence and integrity of China; they were negotiated under intimidation and duress; they were lacking in finality; Count Okuma himself had said in the house of peers concerning them, "Grab, while the world looks the other way"; they were presented to the President of China instead of the foreign minister; they came from the Japanese war office instead of the Japanese foreign office; they enjoined complete secrecy; they were only published in part; they were accepted five months later only after an ultimatum; and they were unratified. Surely a lengthy count! The American admonitory note was even introduced December 18.

The Japanese formally barred them as a topic for further discussion four days

later. Nevertheless, in their interview with the press December 25, the Chinese stated definitely that they wanted the South Manchurian railway to be operated by Japan on a special license until 1939 with an annual report from the Japanese of all receipts and traffic returns to the Chinese minister of communications. Fresh negotiations for a possible renewal were to be held then.

But the conference hadn't heard the last of it. February 2 Japan in self defense in open session related that most of the conditions of the demands had been agreed to before the ultimatum was delivered; announced benignantly that she would drop group 5, -that is, give up all demand for Japanese instructors and advisers ^{and} open to the consortium the special grant of loans for railway construction in Southern Manchuria and East Inner Mongolia and any loans based on taxes. The next day Dr. Wang read Hara's resolution against the demands in the diet in 1915 and wanted consideration renewed. Hughes stated gravely America's attitude toward them then brought the discussion to a close by approving the recent Japanese concessions, thus keeping his word as best he could to please both sides.

Conference
Washington-Tokyo, No. 435.

January 17, 1922

Very Urgent.

In connection with the Shantung question the Chinese have for the past four or five days been assiduously attempting propaganda on the question of the twenty-one demands. For example, Wang Chung-Nui made extreme statements to newspaper correspondents on the thirteenth, such as that the Shantung question was a question of losing or not losing one limb merely, but the question of the

twenty-one demandsⁿ was poison injected into the body of China. Moreover, on the fourteenth there was a written announcement claiming that this question must be discussed by the conference, on the ground of the wrong which the question involved. This has attracted considerable attention from the general public.

The British plenipotentiaries have in this matter taken an attitude with the correspondents of thoroughly supporting our standpoint, and have on every opportunity declared the unreasonableness of discussing the validity of an established treaty.

The attitude of the Americans is non-committal. Because of this some among the newspapers have resorted to the reservation sent by the American government to both China and Japan at the time the Sino-Japanese treaty was made, and to the speech made by the President during electioneering, and have argued that it would impair the prestige of the American government to ignore this question.

The atmosphere on the whole, however, seems to be not to place as much importance on this question as on that of Shantung.

The Shantung treaty was a Japanese victory to the extent that the Chinese were persuaded to negotiate one at all, but, in reality, because of the constant concessions that forced Japan from her original desires, it was a Chinese triumph. Virtue triumphed at last and wrong was cast down. One of the first things the Japanese had to yield was joint ownership and operation of the Tsinan-Tsingtao railway, the second was the idea of a long term loan.

Though China was obliged to refrain from paying cash, it was^s/no great hardship, for, being unable to meet interest on international loans, as it was, she was too impecunious to make good if the opportunity had been given her. She practically won permission to pay as soon as she was liable to be able. Her other victories, the salt

works, the wireless, the cables, the public properties, etc., show that she is a better match for Japan than she is for the western nations. She succeeded in righting more wrongs, in wringing more concessions from her nearest rival than she did from all the powers in the main tent. This was decidedly China's round.

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Part VI Yap

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Part VI

Yap

Chapter 18,

Dollar vs Yen.

And now it is time to run down Yap which has been bobbing in and out of almost every chapter so elusively. Though it was only a small, rocky island in the Pacific, practically valueless for commerce and colonization, and an unsettled problem of the Versailles conferences, Yap was a thorn in the sides of both Japan and America until December 12, 1921.

It is the westernmost of the Caroline islands, situated at 90 degrees north latitude and 138 degrees east longitude, 1,660 miles from Yokohama, and 1,150 miles from Manila. The group was discovered by the Portuguese in 1527, annexed by Spain in 1677, renamed for Carolus II, and sold to Germany in 1898 for \$3,300,000.

Yap, the seat of government of this group, was occupied by the Japanese on October 16, 1914 and held by them for the allies until the close of the war when it was assigned as a mandate. In Chapter 16 we saw where Japan wisely sewed up her claim to the Pacific islands north of the equator by an exchange of notes with England, France, Russia and Italy in 1917.

There was frequent discussion both in the supreme council and the general council as to the final disposition of this island. In February 1917 Japan had hoped to obtain the other German possessions north

of the ~~Equator~~, but the peace conference in 1919 introduced the mandatory idea and gave the islands and the cables to all five allies.

The United States, through Wilson, it is said, informally asked at the supreme council meeting of April 21, 1919, and the general council meetings of April 30 and May 1, that Yap belong to no one power and that the three cables to Guam, Menado and Shanghai be internationalized. Count Nobuaki Makino, the Japanese delegate, refused to assent to this at the second meeting. At the general council meeting of May 6 at which Japan was not present the allies decided, Wilson included, ~~Glenn~~ to give as *Class C* mandates to Japan "certain islands in the north Pacific" and this was recorded as a formal decision of the council the next day.

"Pertinax," foreign and political writer for L'Echo de Paris, through certain contacts in the French government was able to view the minutes of the meetings under dispute. In a dispatch in The New York Times April 11, 1921 he ~~writes~~ ^{notes} that there was no mention of Yap in the minutes of April 23, but on April 26, 1919, Lansing asked whether it were not best to internationalize Yap? Makino, the Japanese delegate, wished to settle the status of the island at once, but Balfour said to stick to the cables now and settle the status afterwards.

Wilson wanted Yap not to go to any one power and he wanted all the cables internationalized with the powers acting as trustees. May 6 Lloyd George proposed to Wilson and Clemenceau that Japan receive a mandate for "certain of the Pacific islands of the equator." Mr. Wilson "gave his assent to all that had been said." Later

Wilson said agreement was conditional.

Moreover, on July 8, 1919 Colonel Edward M. House, American plenipotentiary, opposed the extension of the open door privileges of trade and commerce for Class B mandates to Class C mandates, among which was Yap, though Japan through Makino was very eager to obtain this economic privilege. Why should America oppose the open door?

The award of the supreme council was included in the treaty of Versailles June 28, 1919 and confirmed by the supreme council of the League of Nations December 17, 1920. A year and a half after the award of the supreme council, November 12, 1920, to be exact, America came to and realized that through someone's misunderstanding the Japanese were about to exercise a mandate over Yap. Wilson immediately had a note of protest dispatched to Japan, to which Japan replied in short order a week later denying that Wilson had ever made a reservation as to Yap.

1920

A second American note was dispatched December 6 by Norman H. Davis, acting secretary of state, in which he went at length to cite the Wilson-Robert Lansing reservations in six meetings from April 21 through May 6 and quoted as additional proof Wilson's statement to the senate committee of foreign affairs on August 19, 1919. Davis appeared before the senate committee December 10 to explain the tangle, claiming that Wilson's reservation was never questioned. Wilson had declared that all unfortified islands should be open to the cable and wireless facilities of all countries. Japan, however, wanted a half-interest in all cables leaving Yap.

~~Tokyo-Paris, No. 190~~~~February 8, 1921~~~~Paris-Washington, No. 83~~~~February 28, 1921.~~

Referring to our cablegram No. 114 (Note. Not available), the Japanese government considered that the Yap question was of such a character that an understanding with the American government could be achieved by perfectly unreserved discussion, and the Japanese government therefore took the step of expressing its views frankly and with the utmost good faith. It hopes that by again following this policy it can achieve satisfactory cooperation with the powers concerned.

The origin of the question of the disposition of the German islands in the south sea is by no means a matter of a single day. On the outbreak of the war, Japan immediately engaged in the war in compliance with the spirit of the Japanese-British alliance, and fought the enemy aggressively and defensively first in the region of Eastern Asia and then in the Mediterranean sea. As a result in February 1919 Great Britain and France confirmed an agreement to support the demand of Japan for the Pacific islands north of the equator. This was explained to the American secretary of state on the sixth of [Ed. Note. Possibly, the next] month. At that time the secretary did not express any opposition. Mr. Balfour also, at the time of his visit to America, showed this agreement to Mr. Wilson, and, at the peace conference, the Japanese plenipotentiary, in claiming the islands north of the equator, presented this agreement.

The Peace conference, however, gave up the principle of cession and substituted the form of mandate. The special system of the Class C mandate was designated for the Pacific islands, and the Pacific islands north of the equator were given in trust to Japan. Japan in the end could do nothing but yield to the above-described circumstances.

In spite of all this, during the Paris peace conference, President Wilson,

in connection with the cable question, proposed the internationalization of the island of Yap. Japan was at a loss to understand this, and, at the time, the Japanese plenipotentiary expressed his opposition and the peace conference decided to separate the mandate question from the open door and cable question. The former was decided on May 7, 1919 and a temporary settlement of the latter was attempted in the protocol of May 3, 1919.

It happened that the Japanese plenipotentiary was not present at the session of the supreme council on May 7, but in view of the fact of Mr. Wilson's objection, the Japanese government at the time perfectly ascertained the contents and the result of its decision from the members of the supreme council, etc. At the end of last year ^[1920], also, when a note had been received from the American government, the Japanese government again verified this from the British, French and Italian governments, and again secured from the British and French governments which had taken part in the supreme council at that time a confirmation of both the claims which Japan had made from the first, i.e., that the decision of May 7 ^[1919] was a definitive decision on the allotment of the mandate territories, and that no reservation nor condition was attached with regard to the limits of the mandate territory allotted to Japan. The foundation of the answers which Japan has heretofore made to America rests on these facts.

As you are already aware from discussion in the diet and in the press, our national public opinion is attaching great importance to the question of the ownership of Yap island. Today in view of the publication of the Japanese-American correspondence, it is trusting in the course of the government and is maintaining a calm attitude, but there is some reason to fear that once a solution to our disadvantage comes in sight, there may perhaps be a repetition of the violent unfortunate experiences of past years.

After it has been published that the allotment of mandates was based on the decision of the supreme council of May 7, 1919, and that decision was confirmed on December 17, 1920 by the council of the League of Nations and the terms and details of the mandate administration were fixed at that time, if by any chance this should be changed on the motion of a single nation, no small effect on

the authority of the League of Nations would be produced.

It is to be feared that a severe disappointment^P will be inflicted on the popular sentiment which wishes to maintain the peace of the world on the basis of a sincere respect for the principle of international cooperation, and that a shadow will be cast on the feeling that the principle of the League of Nations must be trusted to the last.

For the reasons above-described, the Japanese government cannot consent to an attempt to change at this hour the question of the status of Yap which has already been decided after consideration of all the circumstances. On the other hand, the question of the disposition of the cables is not a question on which a thorough-going decision has been reached, and in the preliminary communications conference the Japanese government has taken the attitude of working in a spirit of compromise to establish cooperation with the powers concerned.

A change has been produced in the situation hitherto subsisting, by the change of attitude of Great Britain and France which have heretofore kept step with Japan, but are now yielding to America. At present it is still hard to determine the real intention of America, but, in view of the eagerness which that government has hitherto shown to reach a solution of the cables question, if the cables question will exercise no influence on the Yap mandate question, and if they are not eager to uphold their protest on that question, it is thought that a suitable solution may be reached in view of the foregoing facts by the Washington communications conference.

Your best efforts in this sense are requested.

As soon as the juridical bearings of the American note of April 5^[1921] have been studied we shall cable you.
^

Tokyo-Washington, No. 52,

Feb. 4, 1921.

~~Confidential~~. See covering cablegram.

In view of the foregoing views of the American government, I shall here give an unreserved explanation of the opinions of the Japanese government.

1. Your note states that at the meeting of the supreme council on April 21, 1919 and at meetings of the general council on April 30 and May 1, His Excellency the present President of the United States, and former secretary of State Lansing expressed the opinion that the island of Yap should be internationalized or that it should not be put in the hands of a certain country. In the supreme council meeting of May 6, Lloyd-George used the words "certain islands" in regard ^{to} the territory to be assigned to Japanese mandate administration. In the meeting of May 7 there was no discussion of mandates, but in the minutes written that day, the agreement reached on the sixth about the islands of the north Pacific was written down. It is pointed out that this memorandum does not clearly show that all the islands in the north Pacific are included.

Among the minutes of the above-mentioned meetings, the Japanese delegates received only those of the general council of April 30, 1919 and May 1, 1919. They did not attend the supreme council at that time and did not receive the minutes. The Japanese government had no means of verifying whether or not the minutes of the meetings of April 21 and May 6 and 7, 1919 have any mention of the American claims.

But even assuming for the moment that it is a fact that President Wilson expressed the indicated views in these meetings, as claimed by the American government, the Japanese government does not believe that this goes beyond the mere fact that in meetings of the supreme council and the general council before May 7 His Excellency President Wilson and Mr. Lansing expressed the view that the island of Yap should be internationalized or should not be put in the hands of a certain country. But, even if it is a fact that the Americans expressed these views in the supreme council or the general council, unless the councils accepted these views and decided to place the island of Yap outside the Japanese mandate administration, the Japanese government believes that the fact that these views had been uttered affords no material to justify the claim of the American government that the island of Yap is outside the scope of the Japanese mandate administration. It follows that, if the American government wishes to maintain that the island of Yap is not

included in the scope of the Japanese mandate, the Japanese government feels that the fact must be proved not only that these views were expressed to the councils, but also that the councils made this decision.

In this connection, the Japanese government wishes to point out that in the meeting of the supreme council of June 28, 1919 President Wilson actually said that the discussions in that council were merely "private conversation" without official force and that only the decisions of that council had official force. Thus the foregoing views of the Japanese government were indorsed by President Wilson himself.

In view of this, the question of whether or not the island of Yap was excluded from the scope of the Japanese mandate must ultimately be decided by these very decisions of May 7 before-mentioned, which were the first final decisions in regard to mandatory powers and the limits of mandates. There is no recourse but to maintain that whatever discussion preceded these decisions was merely preliminary "conversation" leading up to the decisions, and had no official force.

As a further argument, never once, either in the council or out of the council, did the delegates of the Japanese government express agreement with the views uttered by the President or Mr. Lansing, and, in particular, at the council meeting on April 30, 1919, delegate Makino made an explicit statement of non-assent.

2. Your note claims that, in case the island of Yap had been included in the scope of the Japanese mandate, a more specific wording would have been used in the decisions of May 7. In the opinion of the Japanese government, however, exactly in the case of making a special exception the island of Yap from among the islands of the north pacific ocean would there have been reason specifically to state the exception, but it is contrary to reason to argue that in case there is no exception, the fact that there is no exception must be specifically stated in a decision of this kind.

Not only would it be impossible for anyone to assent to such an argument, but, if the council on any day when the Japanese delegates were not present

had decided, in the way which the American government claims, the question of the exclusion of the island of Yap, a question in which Japan had direct interests and in regard to which the Japanese delegates had maintained a strong attitude of opposition, this action would have been so extreme a breach of friendliness towards Japan that it cannot be conceived that a council from which Japan was excluded would take such a decision.

On the other hand, the decisions speak of "certain islands" and make no exception of Yap island. It is considered that this is a very clear expression that all the former German islands in the Pacific ocean north of the equator without any exception are under Japanese mandate.

The interpretation that the island of Yap is not made an exception in these decisions is not the interpretation of the Japanese government alone. The British and French governments in answers to the Japanese ambassadors at London and Paris, dated respectively November 16, ~~1919~~ and November 24, 1920, express entire agreement with the Japanese position.

You say in your note that the decisions of May 7 had already been reached in the supreme council of May 5. In view of the fact that the council of that date was a conference of only the leading British, French and American figures, it is hard to understand the claim of the American government that President Wilson alone reached an entirely different understanding from the rest.

In your note you point to the words "certain islands" used by the present British premier in the supreme council of May 6, and try to prove by this that an exception was made of Yap ~~island~~. Assuming that it is a fact that these words do appear in the minutes for that day, the words "certain islands" are also used in Article ^{XXII} ~~XX~~, clause 6 of the covenant of the League of Nations, and these words are used in the covenant only because there are not a few islands in the Pacific north of the equator other than those formerly belonging to Germany. When the British government was explaining the fact that it had taken the interpretation that all the former German islands in the Pacific north of the equator passed under the Japanese mandate, the present British premier said that it was proper to understand that the use of this wording

on that day did not mean that an exception was made of Yap island, but it was simply a case of quoting the above-mentioned Article ^{XXII}~~XX~~, clause 6 of the covenant of the League of Nations. ^(Flint)

~~Article XXII~~ Article XXII, Clause 6, of the League of Nations covenant reads-
"There are territories, such as south west Africa and certain of the south Pacific islands, which, owing to the sparseness of their population, or their small size, or their remoteness from the centers of civilization, or their geographical contiguity to the territory of the mandatory, and other circumstances, can be best administered under the laws of the mandatory as integral portions of its territory, subject to the safeguards above mentioned in the interests of the indigenous population."

In decisions as important as these decisions in regard to the scope of mandate, only what is stated in the text of the decision is valid, and anything which does not appear in the text is not valid. The Japanese government cannot consent to an interpretation based on the opinion that may have been entertained by a delegate. (Note. This sentence garbled).

3. Furthermore, on the day following the meeting of May 7, the decisions of the preceding day were made public. If these decisions as published disagreed with the American government's understanding of the situation, an objection should immediately have been interposed at that time. No step was then taken. It is very difficult for the Japanese government to understand how this argument can be brought up at this distant date. In spite of this, your note brings up the point that no power expressed any opinion counter to President Wilson's statement to the senate committee of foreign affairs, and goes so far as to argue that this is proof that there was no objection to the President's views. It is entirely impossible for the Japanese government to assent to this. The international agreements in which a country participates are entirely an internal matter for that country. If one party considered the agreement detrimental to the interests of its territory, an objection should at once have been lodged, but each of the three powers was under no obligation to lodge any such objection. Therefore we consider that the fact that no objection was lodged by the powers

has no effect on this question. (Note. Foregoing badly garbled.)

4. Again, your note quotes Article ¹¹¹ of the original draft of the agreement for the mandate administration of the former German islands in the Pacific Ocean north of the equator, which was submitted to the supreme council of December 24, 1919, as proof that a definitive agreement as to the final disposition of these islands had not yet been reached. This was merely a provision for a method of deciding any differences of opinion which may in future arise in regard to frontiers or territorial jurisdiction. Moreover, this is not a special provision applicable only to the Pacific islands north of the equator, but the same provision exists in all the drafts of agreements for mandates of other territories which were submitted to the supreme council at the same time. If we accept the logic of this claim, we must reach the conclusions that there are exceptions in the scope of all the mandate territories to which these agreements refer. This is entirely contrary to fact, and can be imposed on no one.

At the same time, there is no such provision in the terms of the mandate for the Pacific islands north of the equator as adopted by the assembly of the League of Nations at Geneva on December 17, 1920. We therefore feel that the American case is not strengthened by this quotation in your note.

5. The above-mentioned assembly of the League of Nations unanimously adopted these mandate terms which provided that all the former German islands in the Pacific ocean north of the equator should without exception be a Japanese mandate. Therefore ¹all the nations which sent delegates to the assembly of the League of Nations again indorsed the fact that Yap was not excluded from the scope of the Japanese mandate.

6. Finally, in the last part of your note you claim that even assuming that the island of Yap is included in the Japanese mandate, other powers should have free and unrestricted access to this island and the use of the island for the purpose of landing and operating cables.

As this claim has no connection with the fact of the mandate status of the island, it must be a question ultimately to be freely decided by the government

administering this territory, that is to say by the Japanese government. This claim is connected with the question of the open door for mandate territories. In this connection the Japanese government would point out that in the meeting of July 8, 1919, of the committee on mandates, Colonel House, the representative of the American government, opposed the proposal of Count Chinda that the same equal opportunities for trade and commerce should be afforded under Class C mandates as under Class B mandates. The Japanese government therefore thinks that the American government is not in a position effectively to advocate the open door at least in regard to the Japanese Class C mandate. At the same time, even if the principle of the open door is guaranteed, the Japanese government does not consider that it is under obligation, as the American government claims, to accord to the other powers freedom to land and operate cables.

Please transmit the foregoing detailed statement of the views of the Japanese government to your government, etc., etc.

(Note. The foregoing is difficult translation, with some garbling, and much likelihood of error in details.)

Tokyo-Paris, No. 190
Paris-Washington, No. 83?

February ²~~22~~, 1921.
February 28, 1921.

Referring to your cablegram No. 248, and the question of the island of Yap, it is stated in the memorandum of the French government that in the council session of May 1 Baron Makino did not refuse to continue consideration of the question regarding international control of Yap Island, introduced by President Wilson and Mr. Lansing.

As you are aware, the Baron did not agree to Lansing's proposal in the Assembly of Foreign Ministers of April 30 for internationalization of Yap Island. He agreed only to continue the discussion of the terms regarding the former German cables which were to be inserted in the peace treaty. Again in the council of the five powers on May 1, regarding the opinion of President Wilson that the above-mentioned cables should be internationalized and that the ~~the~~ island of Yap should not be given over into the hands of any one country, Baron Makino claimed

that the three cables passing through Yap should belong to Japan. Therefore the status of the cables which Germany surrendered to the principle allied and associated powers was left for the time being in the status quo. Also, the status of the Island of Yap was determined separately by the May 7 decisions on the scope of mandates. Therefore the meeting of May 1 did not approve continuing the discussion of the question of internationalization of this island. This agrees with your cablegram No. 260.

Please draw the attention of the French government to the above points.

One thing that Japan resented was the apparent assumption that the allies had taken action contrary to her wishes without giving her an opportunity to be present to dissent, if Wilson were right in asserting that his reservation was understood by all May 6 and 7.

Davis admitted the justice of their annoyance. He could not understand, however, vagueness of the British reply to the preliminary communications conference invitation sent August 1920 in respect to the status of Yap. Shidehara was quick to point out that, after Wilson's statements to the senate committee, Lloyd-George had announced that the former German islands north of the equator were under a Japanese mandate. Moreover, the invitation to Japan made no mention of the status of Yap as a mandate.

Washington-Tokyo,

Communications Conference No. 5

January 23, 1921

During my interview with the acting secretary of state on Jan. 21, I turned the conversation on the Yap question in order to find what the Americans have been thinking about it.

Davis repeated the view which he has hitherto supported that it is naturally to be understood that the President made a reservation in regard to Yap. He added that there was a very strong argument that the supreme council had no

right, at the meeting of May 7, 1919, to make a decision against the claims of Japan without giving the Japanese representative an opportunity to be present. For this reason, he personally did not have the slightest intention to criticise the Japanese government for the misunderstanding as to whether there was or was not such a reservation. He said, however, that he could not help ^{having} certain doubts about the attitude of Great Britain and France in this matter.

He brought out the two following points:

1. When the President gave the senate foreign affairs committee the explanation that the disposition of Yap island had not been settled, the British and French maintained silence, and thereby led to a sudden controversy between Japan and America at the time of the preliminary communications conference.

2. The invitation sent by America to Great Britain about August of ~~1918~~ last year for the opening of the preliminary communications conference mentioned among the subjects to be discussed by the conference not only the disposition of the former German cables in the Pacific, but also the question of the final status of the island of Yap. The British reply said in a vague way (Davis said that he had paid no close attention to the wording) that there was no objection to discussing the Yap cables and the disposition of the other German cables. When he thought of this now, he was at a loss to know what it meant. (Note. Doubtful sentence).

In reply to the first point, I said that after the explanation of the President to the senate committee, Lloyd-George had publicly said that the former German islands north of the equator would belong to the Japanese mandate administration. Thereupon the senate, feeling that there was a discrepancy between the statements of the two men, adopted a resolution asking the President for the facts.

In regard to the second point, I pointed out that in the American invitation to Japan there was no mention of the final status of Yap as a subject for discussion by the communications conference. I asked the reason of this discrimination in the text of the invitations sent by the American government to

Great Britain and to Japan.

With an appearance of being extremely surprised, Davis said that he had absolutely never noticed this, and he would look into it carefully.

I think that it is necessary for our future position that we ascertain the date and phraseology of this invitation from the American government to the British government, and I request that you arrange to inquire of the British government authorities in a casual way and without making any allusion to the foregoing conversation between Davis and myself.

It had been necessary to hold both a communications conference and a preliminary communications conference to agree on the final distribution of the Atlantic and Pacific cables acquired from the Germans after the war. On December 11, ¹⁹²⁰ the British representative to the preliminary conference, probably Brown, proposed the following settlement: the Yap-Menado cable to go to the Netherlands,--Menado is a town on the northern most tip of the Celebes island, one of the Dutch East Indies group; the Guam-Yap to the United States,--Guam is one of the Ladrone islands, 360 miles northeast of Yap, and the station for cables from San Francisco, Yap, Manila, Shanghai, and Yokohama; and the Yap-Shanghai to Japan,--during the war Japan had cut the latter and towed the Chinese end to Naha, a town on Okinawa-Shima, the largest of the Loochoo islands; and Japan to agree to no local control of the line from Guam to the Dutch Indies.

Less than a week later the conference had temporarily settled on American-Japanese joint interest in the Yap-Guam cable, given the Shanghai cable to Japan, and told her to see Holland about the Menado cable, before they recessed December 14 to wait further instructions on other matters from their governments.

December 11, 1920.

~~Washington-Tokyo~~~~Communications conference No. 167~~~~December 11, 1920~~

The British delegate to the preliminary telegraph conference at Washington has proposed to confer the cable Menado-Yap to the Netherlands, the cable Yap-Guam to the United States and the cable Yap-China to Japan.

This is accepted, - an American cable China has to be laid for joint expenses and Japan has to agree that from her side no local control shall be exercised on the telegraphic communication via Yap and Guam between America and Netherlands India.

(The above received in ^o caded English is sent exactly as deciphered.)

Washington-Tokyo,Communications conference No. 167

December 17, 1920.

As regards the Pacific cables, the ^y Yap-Guam cable to be jointly owned and operated by the United States and Japan, Japan to own and operate the Yap-Shanghai cable and to make arrangements with Holland for the satisfaction of Dutch interests in the Yap-Menado cable.

Because of the communications conference, Yap loomed with great importance in the eyes of the senate; so the committee on foreign affairs decided to make a detailed study of the matter and summoned Davis once more for facts. On January 25, 1921 the latter told them that England was backing Japan as to there being no written evidence to prove the fact that Wilson made a reservation about Yap and they were of the opinion that Japan was not acting in good faith to demand written proof.

All the islands had been ceded to the allies by the treaty of Versailles and even though America had refused to sign that treaty, she claimed that her consent was necessary to dispose of the islands. Count Yasuya Uchida, Japanese foreign minister, was asserting Japan's rights under the mandate in the diet at the same time.

The League of Nations published the Japanese mandate to the Pacific islands on February 9 and a copy was received by the American government less than a fortnight later. February 23 Bainbridge Colby, secretary of state, sent a note to the League council on mandates protesting the Yap decision, while the rest of the world stood around discussing whether the United States had the right to stay outside of the League and criticize, refusing to take part. Europe was inclined to say that, if America would not sign the treaty, she should not enjoy any specific rights enumerated therein.

Nevertheless Colby insisted that the approval of the United States was essential to the validity of all mandates. The American complaint was like a gadfly, annoying and impossible to still. The powers wished to satisfy America, but Japan's legal and tactical position was almost impregnable. Two days later the League of Nations referred the United States to the supreme council of ambassadors and premiers which was to meet in May.

There was a rumor that Sir Auckland Geddes, British ambassador would be asked to mediate. America said shortly that his mediation was not wanted, that England was an interested party, and Japan was purely obstructive. London denied promptly

that Geddes would intercede, but hinted that he would be glad to serve if he were asked.

Shidehara called on Davis February 15 to suggest removing the Yap question from the communications conference and settling the dispute diplomatically through the regular channels. He explained that it was contrary to national laws for any but the Japanese government to operate a cable on Japanese territory and pointed out that the Japanese had more important relations with the Dutch Indies as to trade and commerce than America. He also recalled that President Wilson had said in the supreme council meeting of June 28 that the discussions of the council had no force, only the recorded decisions were valid.

Davis was quick to pass this off as unimportant, yet dollars to doughnuts the decision would have been of the weightiest importance if the shoe had been on the other foot. Likewise House's opinion didn't matter when it was apparently running counter to America's wishes, yet it was important enough at Paris to block Japan's desire for the open door for C mandates. No wonder "Davis appeared to be somewhat at a loss!" He could not very well do otherwise than admit "that there was some truth in the reply of the Japanese government."

Washington-Tokyo,

Communications conference No. 17.

February 15, 1921.

I cable you the following relative to the conversation I had with Acting Secretary of State Davis, of which I informed you in Communications conference

cablegram No. 14.

1. It is now increasingly clear that in replacing the protocol of May 3, [1919] with a new modus vivendi, or in having the protocol cancelled in case the new modus vivendi cannot be established, America's aim in either case is the cancellation of the protocol. Therefore, with our desire that we shall continue our efforts towards settling the final disposition with the protocol remaining as it stands, which is out of harmony with America's desire, it occurred to me that, if we abruptly present this on the floor of the conference, we shall immediately occasion a clash with the Americans. Not only that, but I thought that the announcing, in advance of other countries, of the Japanese government's views, would serve to gain recognition of our good faith toward America. I therefore especially had an interview with Davis on the day preceding the Conference of the fifteenth.

2. As I expected, Davis expressed satisfaction over the fact that Japan had expounded her views in advance of other countries. He said there was truth in Japan's views; that he also must feel doubt as to whether or not the new modus vivendi would be finally formulated.

Then I asked him whether America had any program for the new modus vivendi.

Davis indicated that there was none at all, but he said it would then necessarily go back to the condition of affairs before the formulation of the protocol of May 3, and put the five powers in an equal position as regarded the cables belonging to the five powers. Also he referred to the absence in this protocol of the signatures of the delegates of the several powers, and hinted at the impropriety of attaching importance to the protocol.

3. I said I wished full confidence to be placed in the fact that Japan really desired as speedy a settlement as possible of the question of the disposition of the German cables. I extremely regretted any such supposition as that the three powers, Japan, England and France, were combining to obstruct a settlement.

Davis likewise said that since these three countries occupied the same position, it was only natural for them to make a combined agreement, and even

if he had said that the three countries had combined, he hoped these words would not be taken in any bad sense.

4. Next I said I thought that not only had the Yap question no connection with the rights and interests of other countries, but it would be impossible to settle this in the communications conference. It would be a most suitable step if the present session of the conference would send a letter directly to Tokyo regarding this question, thus transferring it to regular diplomatic channels. The only way of devising an understanding and definite settlement was to separate this question from the communications conference through the above diplomatic channels.

Davis made the excuse that in sending of a letter to Tokyo regarding this question and making a frank explanation to the Japanese government of the American position he would under no circumstances leave me aside. At the same time, if it was finally decided to settle this matter through diplomatic channels, he said he did not know whether it was practicable for the communications conference to decide the German cable question without prejudicing the claims of either side regarding the status of Yap^① but he said he could not commit himself offhand one way or the other.

5. I then asked whether the real aim in the American demands regarding Yap was a broad application of the principle of equal opportunity for every nation, or whether it was that America alone should operate the Yap end of the Yap-Guam cable.

Davis replied that it would be difficult today to settle the question in general^② that for the time being he wished to settle only the point of America's right to operation.

I thereupon stated that, as I had repeatedly explained, for America to operate would raise a difficulty in the national laws of Japan^③ but if the Japanese telegraph company were to operate the end of the cable in Yap, communications to and from American telegraph offices via Yap would of course be afforded the greatest facilities possible. Judging from the situation in trade and commerce, the relations between Japan and the Dutch Indies were more im-

portant than the relations between America and the Dutch Indies, therefore special consideration should be given to this point in the question of the operation of the cables.

6. Next Davis said that because the status of Yap Island was a difficult question the President had instituted an objection against the giving of jurisdiction over this island to a certain country, and he referred to Japan's opposition to this through Delegate Makino.

I pointed out that the President had said in the supreme council of June 28, 1919, that the decisions of the council alone were valid and the discussions in the Council had no force.

Davis rejoined that the President's statement above had nothing to do with the formal conference and carried no weight, having been spoken only in a meeting of directors at the hotel.

I then referred to House's opinion concerning the principle of equal opportunity.

Davis said that House's statement did not necessarily restrict the opinion of the American government.

I pointed out that House was a full and formal representative, who, together with the President, had affixed his seal and signature to the Peace treaty.

Davis appeared to be somewhat at a loss.

7. Finally, Davis again said that there was some truth in the reply of the Japanese government, but it was not apparent whether or not consent would be given. In any case, he wished to present it in the conference tomorrow. Also he said he would have a talk with me again in a few days.

The same day Washington sent Tokyo a two part cable of criticism on No. 52 which Tokyo sent Washington February 4. Evidently Tokyo was preparing some sort of note for the United States and had sought Shidehara's advice before completing the document. The first part is not available, but the second part begins with suggestions for changing

phraseology of Section 2 to make it water-tight. Shidehara in the last paragraph got to the root of the matter. A large part of the noise was being raised to cover up injured pride and to assuage wounded vanity. This resulted in the Japanese note of February 23.

Washington-Tokyo, D

Communications conference No. 19.

February 17, 1921.

I do not like the passage "these words were used only because there are not a few islands in the Pacific north of the equator other than those formerly belonging to Germany" etc. By this argument, the same phrase should be used in reference to the Pacific islands south of the equator, and the argument would turn against us and weaken our case unless the word "certain" is used with regard to the islands south of the equator.

I would change this passage to read: "this word 'certain' is merely taken from the phrase 'certain of the south Pacific islands' in Article ^{XXII} ~~22~~, clause 6, of the covenant of the League of Nations, and the reason for the use of this wording in this clause of the covenant was merely in consideration of the fact that there are not a few 'south Pacific islands' other than those formerly belonging to Germany. When the British government was explaining the fact that it" etc., etc.

In order to avoid repeating the same thing just below, I would omit the passage "it was simply a case of quoting the above-mentioned Article" etc., and would substitute "it was clear that it did not at all have the meaning of making an exception of Yap Island".

6. At the end of section 2, the argument would be strengthened by changing "a few delegates" to read "the delegates of a single power". (Note. This passage in JC 1585 was garbled, as noted after word "delegate" in translation, the word "few" not occurring in the translation because of this garbling.)

7. In order to show how meaningless was the statement of President Wilson

to the senate foreign affairs committee, it might be profitable to add the following at the end of section 3:-

"Furthermore, the report of President Wilson's statement to the senate foreign affairs committee quotes the President as replying "that subject was mentioned and disposed of in the treaty". It is hard to comprehend the meaning of this, as to what clauses of the treaty are meant, but in any case the Japanese government considers that it would be very improper, in view of the nature of the circumstances, to ask the American government for an explanation of this, as if it were a matter of international dispute."

8. At the end of Section 4 and in Section 5, you quote the decision of the Geneva assembly of the League of Nations. This is a matter which will irritate the feelings of the American government. Especially in connection with the terms of the Mesopotamia mandate, the American government some time ago demanded an explanation of the British government. Resentment is felt that the assembly of the League of Nations, or the interested allied powers should decide mandate terms without in any way consulting the American government, and as if ignoring the position of the United States. At the present time, I feel that a quotation from this decision would further aggravate the situation, and any allusion to this decision should be avoided except in case of special necessity.

The reply of Japan February 23, made known three days later, was, in substance, that she was not present April 21, or May 6 or 7, and therefore was uninformed as to what action had been taken or what reservations made. Therefore, to her way of thinking, it was up to the United States to prove her stand and that it had been generally accepted by those present. If America's assertions were correct and had been so decided against Japan's known opposition, it was an act of bad faith behind her back.

The Japanese government thought, since no exception had been made, that Yap must

be included. France and England thought likewise. The Japanese government could not twist the meaning of the decisions to agree with the thought of only one nation. Why did the American government wait a year and a half? She should have protested at once. Whether to open the cables or not was up to Japan, especially since Colonel House had opposed the open door for C mandates against ^{Japan's} ~~Cable~~ wishes July 8, 1919.

On February 28 Davis, who was chairman of the communications conference, talked about America owning the Yap-Guam line and when Shidehara offered him a fifty-fifty ownership proposition, Davis arbitrarily wanted to own half of the Yap-Naba-Shanghai cable as well. Another lesson in diplomacy, another example of demanding more than you want, so that you can give up something to get what you really want.

Washington-Tokyo,

Communications conference No. 24.

March 8, 1921.

The important points in my conversation with Davis on Feb 28 on the subject of the operation of the Yap and of the cable were given in my cablegram No. 105 (Note. Not available).

In this conversation, Davis also spoke as though he would bring up the argument that the right to possession of the Yap-Guam line should naturally belong to America. I therefore proposed in advance a plan whereby this line should be possessed equally and jointly by Japan and America. Also, I was careful not to express approval of the American proposal that the entire line fall to America, and to say that I did not consider it a fair plan for distribution. Then, to avoid the impression that Japan was adhering to the question of the right to single possession of the cable, and was averse to any compromise, I added the words that if the question of the right to possession of the Yap-Guam line was the principal difficulty with America, I would await a reconsideration of the

proportionate share of each in the joint ownership of the cable and I hoped the principle of joint Japanese-American ownership would support this.

In an endeavor to sound my views, Davis said that, if Japan reserved a partial title to joint ownership of the Yap-Guam line, America also wished to reserve in the same proportion a title to joint ownership of the Yap-Naha-Shanghai line.

yapent, I replied that as long as the
Since in any case he seemed disinclined to make concessions in the operation of the American government took such a position, there was no hope of furthering a compromise which would not touch upon stipulations regarding the mandate of Yap Island. I avoided going deeply into a discussion of the proportionate distribution of ownership.

Finally, you gave me instructions last year in cablegram No. 578 that, if absolutely unavoidable, the Japanese government as a final compromise would agree to giving America possession of the entire Yap-Guam line.

Taking into consideration that, if I should at this time reveal such an intention, America would come up with strong arguments for the right to operate both ends of this line, I beg you to note how it was I came to adhere to the view that there should be joint Japanese-American operation of the line, along the aforesaid principles.

X
America's claims to a say in the disposition of the mandate of Yap and the internationalization of the cables was frail and untenable to say the least. Because America desired no land and asked merely the internationalization of the Pacific cables many American business men were discontented. They brought due pressure to bear and the government had to right-about-face and make demands for a share in the cable spoils. Because of her previous attitude, she had nothing but "pull" to justify her latest demands. She relied on her political and financial power over

the allies to get her that to which she lacked the legal right.

In the preliminary cables conference America won England to her new viewpoint, but British intercession in her behalf alienated France. In a very lengthy cable Shidehara sums up the events leading to the deadlock in the preliminary conference. Toward the end America lost the good will of even England.

Washington-Tokyo,

Communications conference No. 1

January 5, 1921

For your information I am cabling to you my observations on the negotiations over the question of the disposition of the German cables.

1. At the peace conference President Wilson made no claims for America in the consideration of the fact that during the war the German cables were held by Japan, England and France, and that the President at that time had as his ideal a plan for international possession of all the German cables. Thereafter there was much secret dissatisfaction in America, particularly among business men, due to a universal change in American popular sentiment and to the fact that America acquired no material advantages whatever as a result of the war. It was thought that there should be a complete change at least in the attitude taken at the Paris peace conference with regard to the question of the disposition of the German lines. Because the German lines were of great importance to America, and were as a matter of fact being held and operated by Japan, England, and France, the situation at the present conference was naturally America versus these three countries. Some unreasonableness and inconsistency in the American demands unavoidably accompanied the above-mentioned change of attitude.

2. Thus America, as seen by the above details, was in an awkward predicament, but she was confident of her position among the powers politically

and financially. On the strength of her position she expected to realize her aims. But, as actually the position of the three countries in their possession and operation of the German lines was a strong one, she seems first to have come to an understanding with England, and then to have used England's influence to follow what course she pleased with Japan and France.

Nevertheless as the discussion continued, France did not [Ed. Note. Possibly, submit to] (Note. Garbled) the attitude of the head of the English delegation, but always viewed British proposals with suspicion. Therefore the British efforts were not sufficient to soften the attitude of France, but rather produced an entirely opposite result. Thus the American policy brought no results.

As the situation became more and more complicated, the American delegation as a last resort asked the opinion of the foreign relations committee of the senate, which has a Republican majority. They presented this to the conference, and tried to warn the governments concerned that a change of administration would not cause any change in the American demands. However, each of the other delegations remained unmoved by this, but felt rather a feeling of disdain. The American devices ended in utter failure.

3. Among the demands made by America there are four which I consider unreasonable.

- (a) The demand for restoration of the pre-war status.
- (b) The demand that the entire New York-Brest line shall revert to America.
- (c) The demand that the operation of the Brest end shall be taken from French hands, and be entrusted to an American company.
- (d) The demand that the island of Yap be excluded from the scope of Japan's mandates, and that this island be internationalized only for purposes of communication (Note. Last word garbled).

None of the above demands can receive the approval of France or our

country. Furthermore, as a partial settlement of the allocation of the German lines is not permissible, America is obstructing the entire settlement whichever one of these demands she may insist on.

... The original American demands regarding the disposition of the Pacific cables were great in the extreme. Regarding these cables:

(a) First not only did they demand the return of the Yap-Shanghai line to its pre-war status, but they also evinced a tendency to demand the right to possession of this line;

(b) Next they advocated joint ownership of the three lines;

(c) But they ended by demanding only the Yap-Guam line.

Again, regarding the question of Yap Island:

(a) They brought forward the fundamental question of mandates;

(b) They demanded the internationalization of the island for purposes of communication only;

(c) They urged entry into an agreement regarding relay stations which subject had been discussed by England, America, and Italy.

10. Since you are of the opinion that, if forced by circumstances, there is no objection to jurisdiction over the Yap-Guam line by the American government if based on definite stipulations, it seems that the claims of America and Japan will possibly not greatly conflict. (Note. Text of last phrase obscure.) But we must consider that as a matter of fact there are proportionate profits, inasmuch as when America manages this line herself, she will operate the Yap end, and by cooperation with Holland she will plan for communication over the Yap-Menado line, and thereby have opportunity for the despatch of direct communication over the Guam-Menado line without any Japanese intermediary. Therefore America demands that every country shall be allowed at least free cable landings on Yap for relay stations, and that they shall be free to have automatic relays and retransmission at this place; but she stipulates that automatic relays, etc., to which circumstances may have forced Japan to decide to agree,

are essentially apart from any supervision on our part, and this amounts to demanding right of operation on Yap island.

11. As seen by the above, the question of the German Pacific cables is not easy of settlement. We on our side are standing between England, France, and America, and while we are working to the utmost of our ability for a general settlement, it is altogether possible that a general settlement will be impossible. In this event, to have the non-settlement attributable to the Pacific alone, would be very bad policy for general international relations, and particularly for Japanese-American relations. Therefore as the prospect of settling the question of the Pacific cables becomes more and more impossible, we must not neglect to try, while this question is still tied up with that of the Atlantic lines, to have it postponed in a general way along with the general settlement. It is clear that the settlement of the disposition of the Pacific cables is impossible as long as the question of Yap island confronts us, and therefore we have expressed approval of the French views concerning deferment of settlement.

England at the outset showed rather an attitude of encouraging the making of concessions to America; but afterwards when the combined proposal on the part of the four countries was presented, and when Sperling, representative of the British foreign office, pointed out that the confidential business transacted by the Conference was leaking out to American newspapers, and argued that the American atmosphere is unfavorable for international conferences, there was a certain distinct change of attitude, and he was considered as one of the men responsible for the deferment of settlement.

Thus it became fundamentally the same situation as at Paris--Japan, France and England against America and Italy.

12. We for our part have been particularly careful not to make any unnecessary compromises, and, as for points which might weaken our position in any future meetings for negotiation, happily, in accordance with the views of the Japanese government, we have conceded not even an inch from our original demands. I merely stated it to be my personal opinion that we

would report to the government our willingness to have the Yap-Guam line owned jointly by Japan and America.

13. There was an agreement between Japan, England and France for mutual support regarding the recent negotiations. But according to cablegram No. 368 (Note. Not available) from our ambassador in England to the minister of foreign affairs, we at that time made a statement as to our desires and the ^{attitude} ~~attitude~~ we would take. There is no record of a definite reply to this from the English departmental chief, Sperling. Despite the fact that it is stated in the above cablegram, as well as in cablegram No. 361 from the ambassador in England to the minister of foreign affairs, ^{that} Sperling said that the three lines should revert to us. The head of the English delegation, Brown, who came here with Sperling, was the opinion from the first that it was right that the Yap-Guam line should revert to America.

We, for our part, have followed more or less in her lead, ^{we} ~~we~~ have made it a practice not to fail to pay regard to England's attitude, and throughout we have maintained the most friendly relations with her.

As the platforms of Japan and France have been in the main identical, there was not only need for concerted action, but also we had great regard for the promise of mutual support, and always discussing ^{ed} ~~ing~~ matters unreservedly with her. France for her part has showed toward us an attitude of marked confidence.

Italy's platform during the recent negotiations has differed in some degree from ours. However, we have maintained the most cordial relations with the Italian delegation.

Though Wilson claimed to have made an oral reservation about the disposition of Yap because of the cables, there was no written record. That was brought out in Davis' report to the senate committee mentioned above and in an account of a Japanese representative's encounter with Lloyd-George and Sir Maurice Hankey, who was secretary

for the "big three" at Paris. Of course a bird of paradise would have nothing to do with Hankey's memory. Nevertheless it became exceedingly hard for Japan to keep England in line. The dollar spoke louder than the yen.

Tokyo-Washington, No. 41.

January 28, 1921.

~~Paris-Tokyo, No. 139~~

~~February 1, 1921~~

~~Paris-Washington, No. 44~~

~~February 2, 1921~~

~~Tokyo-London, No. 54~~

~~February 1, 1921~~

~~London-Washington, No. 36~~

~~February 3, 1921~~

On the twenty-seventh, The Japan Advertiser published a special Washington telegram dated the twenty-fifth on the question of the German cables. Following is a summary.

(space)
Davis today explained before the senate committee on foreign relations the former status (?) of Yap island and the three Yap cables. He then presented the correspondence with the British foreign office. However, there were no documents to prove that protests had been registered at the peace conference over the reversion of Yap island to Japan. Therefore England had expressed the opinion that she considered Japan's claim to independent control of the Yap cables legitimate. After examination of the minutes of the Peace conference by the foreign relations committee, they discussed Wilson's objections at this conference to Japan's jurisdiction over Yap Island, and this discussion proved that there were no written records of the objections. Davis again at the communications conference advocated the international jurisdiction of Yap Island, but he was unable to gain the consent of the conference. On the other hand it was unofficially reported that proof had been found that Japan had a formal agreement with England concerning mandates

and had obtained recognition of the same at a meeting of the League. Japan as a result obtained as her rightful share the German possessions north of the equator, and was claiming that, in accordance with Japanese law, control and operation of the German cables would now come under the government, which has a monopoly of communications.

(indent)
The foreign relations committee expressed dissatisfaction over the steps taken by Japan in regard to this question. In spite of the fact that America had protested, it was clear that, because of the lack of documents showing the various points actually decided in the peace conference, the right of America to share in the control of the three Yap cables could not secure recognition. The committee members seem to have made a motion embodying the hope that the government would take strong measures for the support of America's rights in Yap Island.

(opac)

The Jiji of the twenty-eighth also published a similar cable dated the twenty-fifth.

(opac) — Paris-Tokyo, No. 139.

Paris-Washington, No. 44.

February 7, 1921.
February 2, 1921.

Lloyd-George was so occupied that I had no chance to ask him about the Yap question, but after the meeting I met him with Lady Hankey. Lady Hankey said that she had been given a bird of paradise by Baron Makino during the peace conference, and spoke of its beauty.

I said that I supposed the bird of paradise came from the former German islands which are now a Japanese mandate. Turning to Lloyd-George I went on to say that among the statesmen who made the supreme council decisions of May 7, he was the only European leader who was still in power. If he was the only "authority", I should like to learn something about those decisions.

Just then Briand, who was talking with Count Sforza, asked Lloyd-George to join them. Lloyd-George turned to me and pointed at Hankey, saying "There is a better authority than I. Please ask him for the details". He called Hankey over.

In reply to my questions, Hankey said that it was a fact that Mr. Wilson

had made a reservation in regard to Yap before May 7, but the "apanese representative was also present at that time. At the meetings of May 6 and May 7 he had made no reservation. Of course if Mr. Wilson disputed this fact, it was only an error of memory on his part.

Tokyo-London, No. 54.

London-Washington, No. 36.

February 7, 1921

February 3, 1921

Judging by our previous relations, I think that at the coming conference

France can be expected to support our demands.

If perchance England is going to adopt an attitude, even in a slight degree, expressive of sympathy with America, it will be very difficult for us to realize our aims. Therefore our desire is to cause England actively to support our demands, and this point of course is, to say the least, very necessary in order to keep her from adopting an attitude helpful to American demands and detrimental to ours.

Therefore, do you try again to have conversations with the English authorities, and strive to explain the situation in keeping with the points noted above. Exert yourself to the utmost that some friendly understanding may be reached.

(possible chapter break)

Public opinion generally favored America. In spite of the fact that legality was on the side of her ally, England inclined toward a solution pleasing to the United States. Lord Curzon, British foreign minister, was ~~very~~ frank about the economic necessity of pleasing America and begged Japan to be lenient.

London-Tokyo, No. 122.

January 7, 1921.

London-Washington, No. 32.

January 30, 1921.

I had an interview on the twenty-eighth with the acting foreign minister, "Teiru".

After receipt of the memorandum embodying the instructions contained in your cablegram No. 23, which in turn were based on the instructions in your

cablegram No. 12 to the ambassador in America, I inquired what ^{the} ~~that~~ attitude of the British government was concerning the recommendations on the German cable question.

He replied that, whereas it would seem that the Japanese government had not yet arrived at any decision, strangely enough the French government had made reply to the effect of not having received from American quarters the communication sent in Communications conference cablegram No. 4 from the ambassador in America to the various Ministers.

I asked whether he thought that a general understanding would seem to have been arrived at.

He said that he could hardly say that settlement had been achieved between England and America alone, but this could easily be done, and therefore we were out of the question. What remained was the question between France and America and Japan and America, and he did not think that the convention should be speedily reconvened while the various interested countries had reached no agreement.

I said that in any event there were points upon which Japan would make no compromise. One, needless to say, was the mandatory right to Yap island, for she held Germany's pre-war cables and she would not surrender an inch there.

The acting minister said that he thought it was plainly the case that America's claims when examined from a legal point were fundamentally very weak, but that America before the war held a position of great disadvantage, and now from an impartial standpoint one could not but feel much sympathy with her.

In thinking the matter over, I feel that the acting minister was perhaps averse to saying too much in his remarks about the conclusion of an agreement between Great Britain and America, but I feel that the British government, having in view its own interests and being especially anxious about British relations with America, may take an attitude counter to us and we can hardly hope she will give us perfect support. I therefore feel that it is of the most extreme importance that the Japanese government should carefully consider our extreme concessions, make it plain that our attitude is moderate and active at a method of concluding this matter.

(Note. Message is badly garbled. Last paragraph is very largely guesswork).

London-Tokyo, No. 480.

April 7, 1921.

London-Washington, No. 168.

April 18, 1921.

Referring to my cablegram No. 479 (Note. Not available), the argument at the end is that in case the claims of the American government in the question of Yap and other mandates are accepted, the attitude of the American government will naturally be affected to a certain extent toward recognizing the treaty of Versailles, and especially toward not grudging its efforts in the indemnity question and the question of the economic and financial rehabilitation of Europe.

It is observed that representatives of a powerful public opinion in this country acutely feel the need at present of depending on American economic and financial support. They think that, if Japan should take an absolutely stubborn attitude in the Yap question, which is not really of sufficient importance to sway the national destiny of Japan, some one would immediately think up a solution which would save the face of America, and induce her to give economic and financial support to Europe. I think that the fact of the existence of this state of mind in Great Britain deserves particular attention in taking new decisions on our policy.

London-Tokyo, No. 591.

May 7, 1921.

London-Washington, No. 207.

May 10, 1921.

Referring to the end of my cablegram No. 588, Lord Curzon prefaced his remarks by saying that personally he had no right to give advice in one way or another about the position of Japan with regard to the Yap question, but he wished as foreign minister of a ~~good~~ friendly nation faithfully to give his opinion.

He went on to say that it was a fact that President Wilson had made no reservation to the decision of May 7 which assigned the Yap mandate to Japan, and the American objection was therefore legally untenable. It was also a fact, however, that before May 7 the President and Mr. Lansing had made reservations, and, if it were presumed that they had neglected to pay attention to the decision of May 7, it must be said that, morally speaking, America had more or less grievance.

Be this as it may, he continued, you must know that France has lately needed American friendship and that Italy also is in the position of asking American sympathy. As to Great Britain, you have probably also guessed that she wishes as far as possible to avoid disputes with America. Japan, too, probably feels the same way.

The Yap question was not a matter of life and death to Japan. The question had not come up for discussion in the recent meeting of the supreme council, but, as he presumed it had been decided that America also should enter the next meeting of the council, it appeared that the question would certainly come up for discussion in the next meeting. If the Japanese government could hit on some plan and devise a means of compromise, he thought that, whatever the legal merits of the case might be, in view of the actual general situation, this course would be of advantage to itself and to others.

I thanked him for his good will, and said that the idea had already been in my mind that in one way or another there must be some way to compromise on a plan to meet the situation, and that I would immediately transmit His Lordship's views to the Japanese government.

You are already acquainted with the views of Ambassador Shidehara on this matter. I think that it would not impair the dignity of Japan to devise some means of compromise without being punctilious about the legal argument, but, if we go too far in standing on the legal principle, a concession in the end would not be agreeable.

London-Tokyo, No. 596.

May ?, 1921.

London-Washington, No. 208,

May 11, 1921.

Referring to my cablegram No. 591, please add the following after the words "to itself and to others" at the end of Lord Curzon's remarks.

"He added that it had been reported that the Japanese government had decided to extend civil administration to Yap Island in the near future. It appeared that this might at present irritate the feelings of America in view of the indeterminate status of the negotiations with that country, and he thought it might be more politic to postpone this action for a time."

London-Tokyo, No. 669,

May ?, 1921.

London-Washington, No. 227,

May 26, 1921.

Referring to your cablegram No. 315, I had an interview with Lord Curzon on the twenty-second (?).

I first expressed the thanks of the Japanese government for the friendly expression of His Lordship's views, and said that with regard to the cables question, the Japanese government in a spirit of conciliation was giving careful study to a proposal with which to attempt a compromise with the American government, but in the matter of discussing a change in the status of the island of Yap, the effect of this was not simple, and in view of this the Japanese government could hardly consent to it. I inquired His Lordship's views as to whether the American government would be satisfied with only the disposition of the cables.

His Lordship said that it would be fortunate if the American government would make a final ^Solution with only the disposition of the cables, but, if that government should wish to persist in the question of the status of Yap, it would be impossible to stop at this point and the question would have to be taken up. In that case he considered that the most proper procedure would be to submit the matter to a juridical investigation. He added that he did not

know whether the question would come up in the next meeting of the supreme council nor whether it came within the scope of the authority of the new American ambassador.

(Note. Last paragraph badly garbled.)

France and Italy likewise wanted to humor America. ^(Else to follow cables) (Jules Jusserand was the French ambassador to America.) (Carlo Sforza was the Italian foreign minister.)

~~Belgium likewise wanted to humor America. (Belgian ambassador to America.)~~

Washington-Tokyo,

Communications conference No. 32.

April 6, 1921-

I had an interview on April 5 with the French ambassador to America. ^(first)
Our conversation was on the subject of the German cables, and was in substance as follows:

. . . Then in reply to a question from the French ambassador, I told him confidentially the substance of America's final proposals regarding the German Pacific cables, contained in my Communications Conference cablegram No. 26.

The French ambassador thought, since the American demands had dropped to that extent, it might be right for the Japanese Government to agree to them at once.

In connection with the Yap question the Ambassador questioned me further as to the nature of the decisions of May 7, saying that it was claimed these decisions were unsigned and the version decided upon had not been read aloud in the meeting, ^① if that were the case, the simple statement that they were recorded in the minutes of the British secretary was insufficient to prove that the representatives of the four powers had given their sanction, and thus the grounds for the American claims were proportionately strong.

To this opinion of the French Ambassador I replied: ^{of May 7 were denied, up to this time the absolute validity of the decisions} Even if it came about that the entire validity of the decisions had not been questioned at all; what had been questioned was whether or not Yap was included in the decisions. How-

ever, of late there was a consensus of opinion that Mr. Wilson made no reservation whatever at the time of the decisions. Prior to May 7, the Americans expressed their views regarding Yap, but such could not be regarded as reservations appended to the above decisions.

The French Ambassador said that from Japan's point of view there was basis for her claims, but he could not avoid the impression that the decisions of May 7 were ambiguous ones.

I thereupon reminded him that it was not legitimate to make decisions which were contrary to Japan's wishes, on questions of vital concern to Japanese interests, without inviting the presence of the Japanese delegates.

The French ambassador said it seemed that at the time the American delegates brought up Yap for discussion, Delegate Makino merely stated that the matter would be discussed (Note. These last four words uncertain because of garbled text), and did not specifically oppose Mr. Wilson's claim.

He added that during an interview he had had a few days before with the secretary of state, the latter had resented the fact that the League had made decisions regarding mandates without consulting America.

For the above reasons, I cannot at present ascertain accurately at this and whether or not the French government will accept all the representations of the French ambassador in America. Therefore, if the occasion demands, please have our ambassador in France make inquiry of the French government.

Paris-Tokyo, No. 697.

May 1, 1921.

Paris-Washington, No. 173.

May 6, 1921.

While I was discussing the Yap question with Lord Curzon on May 2, the latter said that this question must be submitted to the supreme council, but the next day he told me that he had referred to the matter in talking with Briand on the previous evening, and as there would be no time for the present meeting of the supreme council to discuss the matter, it was thought that it should first be submitted to the juridical committee. He asked my opinion.

I replied that I agreed with this. Thinking that things were proceeding in this way, I telegraphed, but afterward "M. Furomajio" told me that he had received no instructions on the matter from M. Briand, and I inquired of the latter.

Very unexpectedly, M. Briand said that he thought that each country separately should send an answer to the American note.

I said that, if the American note had been sent separately to each power, it would be proper for the answer of each power to be made separately also, but I had understood that it was the purpose of the French government to send an identical answer based on discussion in the supreme council. I asked him how this was.

M. Briand said that such was the case, and he asked how it would be to have each power draw up an answer and compare the drafts.

I said that, if America accepted our invitation and re-entered the supreme council, there would be no opportunity for the council to discuss the answer to America, and the present might be the only time when the council could take the matter up, but the council was absorbed in German penalties and guarantees and he did not reply (Note. Construction doubtful here).

I understand that the Japanese government does not have the attitude of hurrying this matter at present, and I was thinking of suggesting that, without submitting the matter to the supreme council, it could be entrusted to the juridical committee merely for the principle of having identical action by the four powers, but the meeting broke up with things in this ambiguous situation.

If America should immediately take part in the supreme council, the council of ambassadors, etc., identical action by Japan, Great Britain, France and Italy would have to be discussed outside the supreme council. In that case it appears that at least France and Italy would not like to join a proposal to take a strong attitude in this matter.

Washington-Tokyo, No. 260

May 1, 1921.

Washington-London, No. 133

May 6, 1921.

Under the heading of "Italy Chapion of U. S. on Yap", the "Public Ledger" of May 6 published as a special Paris despatch of May 5 the contents of cablegram No. 261. I am cabling this and No. 261 to London, Paris and Rome.

(Note. Following is cablegram No. 261 as transmitted in unencoded English:

^{2 (F.M.Y.)}
Sforza said it had not been discussed formally in supreme council, but he had occasion to talk of it with Curzon.] "I said to him that without the United States war would not have been won. She has asked for nothing and is entitled to have her way about Yap. She ought have it and the Italian government desires her to have it."

When asked if he had any objection to publication ^{of} his views Sforza replied, "None whatever. I shall be glad for Americans to know how the Italian government feels in this matter".

"What do you think ^{the} Japanese attitude will be?" the correspondent asked.

"I am confident ^{the} Japanese government has too clear sense of political realities not to agree," replied Sforza.

"What did Curzon reply to your statement concerning Yap?"

"It is Curzon's privilege to say".).

There was a rumor from the Japanese foreign office March 5 that Japan might concede the Guam end of the cable to the United States, followed by another a week later, that Japan would negotiate with the Netherlands for the Menado cable. A tentative agreement on March 18 over the Yap cables in the international communications conference gave the Yap-Guam to America, and the other two to Japan with the latter to have the right to operate the Yap ends until the status of the island was settled and the Dutch to operate the Menado end.

Meantime rumors of the private bargaining between America and Japan were leaking

into the press. Tokyo asked Shidehara to see about publication of the ^onotes exchanged between Japan and America to forestall unfavorable propaganda, but Shidehara thought it best not to publish them, because of the rigid policy of the new administration. He agreed with Davis to postpone their release.

Tokyo-Washington, No. 105.

March 9, 1921.

We feel that reports to our disadvantage are leaking out in the United States with regard to the Japanese-American negotiations about Yap island. Will you therefore suggest to the American government the publication of the notes on this matter which have been exchanged between the two governments, and report the result by cable?

Washington-Tokyo, No. 141.

March 16, 1921.

Washington-London, No. 64.

March 16, 1921.

Referring to your cablegram No. 105, Davis, who has charge of this matter, has been away for a few days, and the secretary of state has not yet had time to study the progress of this matter. I therefore waited until Davis returned on the fifteenth, and then suggested the publication of the Yap correspondence.

On the sixteenth Davis telephoned me that an answer from the American government to the Japanese note of February 23, would be sent within a few days, and that the secretary of state hoped that then this answer and the whole correspondence might be published.

It is hard to anticipate the contents of the answer which the American government now has under contemplation, but it is common report that the new Administration will ignore the acts of President Wilson at the Paris peace conference, will reserve all rights which America possessed at the time of the signing of the Armistice as one of the victorious powers, and on the basis

of these rights will claim an equal participation with the other allied powers in the fruits of victory.

Leaving aside for the moment the right or wrong of this claim, it appears that the diplomatic policy of the government toward the powers will be not at all milder than that of the former government. The British and French ambassadors are making the same observation.

At any event, the answer which the American government is about to make to the Japanese note of February 23 will not only not manifest an attitude of concession, but may make even stronger claims. I therefore feel that the publication of the correspondence including this answer will only give an incentive to newspaper criticism in both countries to no good purpose and will make a solution more and more difficult.

Therefore tomorrow, the seventeenth, after I have had another talk with Davis, unless I can secure the publication at this time of the correspondence up to our note of February ²³~~24~~, I shall try to arrange to have the whole publication postponed for a time. It is my private opinion that within the next week or ten days we can form an idea whether there is any prospect of a solution of the Yap question, and until then it would be better policy to postpone this publication for a while.

Washington-Tokyo,

Communications conference No. 29.

March 21, 1921.

Referring to my cablegram No. 141, during my interview with Davis on March 17 I said that, if he advocated waiting until America had sent an answer to the Japanese note of February 23, and then publishing all the Yap correspondence to date, including this answer, the Japanese government in turn might advocate waiting until it had sent a reply to the American answer, and then publishing the correspondence inclusive of its reply. The question might thus go on ad infinitum. Unless, therefore, we could now conclude definitely to publish the correspondence up to and including the note of February 23, the

only alternative would be entirely to postpone publication for the present.

Davis said that he had reconsidered the matter after our telephone conversation of the preceding day, and had come to the opinion that under present circumstances the publication to the world of the points at issue between the two countries would be contrary to the interests of both.

As I agreed with this, the publication will be postponed for the present.

(space)
Shidehara had been doing a little press work of his own.

Washington-Tokyo, No. 153.

March 21, 1921.

The actual facts and claims of Japan regarding the Yap question seem to be misunderstood by the general public.

In an interview on the twelfth with Hood of the Associated Press, I therefore related to him the general progress of this question. On the thirteenth, the Tribune, Herald, Washington Post and Washington Star, published the following as an Associated Press despatch:

Japan, on the ground of the mandate given her by the members of the supreme council, claimed independent jurisdiction over the island of Yap, and, while allowing freedom to every one in the use of the cables, demanded at the same time that their operation and control should be executed by the country having the rule over the territory where cables were landed. Citing as an example the Guam-Ogasawara cable, it was under ordinary circumstances unnecessary for America in view of the existence of the Guam-Manila line, to route communications between the continents of America and Asia by way of Guam and Yap. Therefore there was no urgency in the settlement of the control of these cables.

Again on the fourteenth, Fox of the Washington Post called on me, and asked various questions regarding matters outstanding between Japan and America. I gave him the gist of the question. On the fifteenth

on the front page of the Post, Fox quoted me as saying that there was no question between Japan and America which could not be settled through diplomatic channels, and there was no question which could be settled by other than diplomatic methods.

On the Yap question, without quoting me, he inserted another article: In Japanese opinion the importance of Yap lay in the point that this island was a cable landing, [⊙] it was positively not because of its value as a naval base. Before the war, German and Dutch companies owned and operated the Yap-Guam, Yap-Menado, and Yap-Shanghai cables; but at the beginning of the war Japan ^c cut two of these lines, and landed the third cable at Naba. Therefore today it was only this third cable which was ^s in operation. Japan, ever since ousting the Germans from Yap as a result of the war, has been occupying the island. But after this occupation was recognized by article ^{XXII} ~~XXII~~ of the treaty of Peace with Germany as included within the islands of the south Pacific, the mandate of Yap was entrusted to Japan by the supreme council. Japan took this to mean that the Yap cables were included, and that everything in every particular came under Japanese rules and regulations. Under Japanese law the administration of cables belonged to the government. However, in the possession of these particular cables, Japan, while respecting the vested interests of Holland, had no intention of abandoning Japanese rights in the island of Yap. The American demands presented while Wilson was still in office were that the cables should be internationalized, and negotiations were set on foot to have America control the Guam-Yap cable; Japan, the Yap-Naba cable; and Holland, the Yap Menado cable. However, according to the Japanese interpretation, the principle of internationalization was not logical, and was contrary to mandate regulations and Japanese law. As for the above interpretation by Japan, Secretary of State Hughes was demanding America's interpretation exclusively. Although it could not be estimated how strenuously both countries could defend their opinions, and, while both countries were today engaged in these close negotiations, there was at the same time

hope that their views would concur, and it was believed that without doubt the affair would terminate satisfactorily.

April 5 Hughes sent notes to England, France, Italy and Japan refusing to recognize the Yap mandates, setting forth the American policy in these matters and concluding that no treaty about Yap which had been signed was legal, for no one had been authorized to give up the American interest in it. Therefore to his way of thinking the mandate was invalid. It ended with a suggestion of a separate treaty between the two countries, and included a letter from Wilson to Colby, March 3, 1921, in which he stated the council of four did not assign the mandate on Yap, May 7, and repeated his reservations of April 21, April 30 and May 1, 1919.

Washington-Tokyo, No. 188.

April 6, 1921.

I was privately informed that an official note on the Yap question would be sent by the American government to the Japanese government, and that this despatch would be made public upon its receipt by cable by the American ambassador at Tokyo.

In order to see what this was about, I sought an interview on April 5 with the secretary of state, but was not given the opportunity. I therefore immediately had Secretary Furuya, on the evening of the same day, interview the chief of the Far Eastern Section. I had him narrate the interview between myself and Davis, reported in my Communications conference cablegram No. 29, and say that I thought I should be consulted beforehand with regard to the publication of a new note on the Yap question.

The chief of the Far Eastern section said he had not obtained the secretary of state's idea regarding this, and told me that the preceding day The Washington Times had published an article in its evening edition to the effect that the

American government had sent a sharp note regarding the Yap question to the Japanese government, a copy of which had been given to Great Britain, France, and Italy. ^① ~~and~~ when on this account the secretary of state was interviewed by newspaper circles, the secretary made the statement that it was true that an official note on this question had been despatched to Japan and to the chief Allied Powers, but it was not so that the tone of the note was ~~sharp~~ ~~sharp~~ "sharp" and that when the note was finally published, this fact would be made clear from the note itself. This being the case, he told me that the above publication of the note would be postponed for a while, but it would be necessary to give some appropriate reason for such a delay, and therefore the secretary of state would tell the newspaper men, when he interviewed them the following day, that at the request of the Japanese government the publication of the note was postponed for a short time.

To this Furuya replied that the statement "at the request of the Japanese government the publication was postponed" would be very disquieting, and he asked the chief of the Far Eastern section therefore to make a verbal request of the secretary of state to say nothing about "request of the Japanese Government, etc."

I had an interview with the secretary of state on April 6, ^{① He} ~~he~~ told me that when he saw the newspaper men he had merely stated that for the present it would be difficult to make the note public.

He then said that the American government from now on interpreted the Yap question as not a controversy between Japan and America, but as a question equally bearing on the other principal allied powers, and therefore at the same time that the note was sent to the Japanese government, notes of similar content were sent to the British, French, and Italian governments.

However, there was one passage which appeared at the beginning of only the note to the Japanese government, making a special reference to the note of the Japanese government dated February 23. Otherwise the documents were about the same.

This recent note was not intended to set forth the points hitherto at

issue in the Yap question, but was a declaration of the policy of the American government. Since there have, up to this time, been various surmises and conjectures regarding the American attitude toward the question of mandates, his opinion was that a general declaration at this time of the American government's policy regarding this question would clear the situation and therefore be of mutual advantage.

Of course, if the Japanese government objected to the publication of the note, the publication of the note to the Japanese government would be left until some other time, but even ^t when he would wish to publish, for example, the note to the English government.

The note to the English government had already been delivered; but, in this note, there was a postscript to the effect that after delivery it would be published. However, he said no objection to the publication had been communicated.

I thereupon said it was after Furuya's interview with the chief of the Far Eastern section that I had learned for the first time of the American government's having sent a note to the Japanese government, and I was in no position to know at present the contents of the note; consequently, I could state no opinion whatever either for or against publication of the above note. Therefore I requested a copy of the note.

The secretary said a copy would be sent to me immediately.

I also stated that, in any case, if there was no objection on the part of the English government to the publication of the note sent by the American government to the English government, ¹ had no intention of raising thereafter an objection to such publication.

The secretary of state expressed great satisfaction.

He said that in that case he would publish for the present the note to the British government, and he thought that the publication first of the note to the British government would be most appropriate for pointing out that this question was not a dispute between Japan and America.

Also I told him that during a conversation between myself and ^{the} ~~ex-~~Assistant

secretary of state on the subject of the publication of the note, the latter had said that the publication of the notes relative to the question would be harmful to the national friendship of the two countries, and I had concurred with his sentiments. He had said he would make a decision after giving the matter fresh consideration. However, his office as ~~Assistant-Secretary~~ had terminated and he was no longer on duty at state department. Therefore, whether or not Davis had explained the above point in full to the secretary of state, there were points which I believed were unsettled, and on account of which I thought it would be suitable to send Furuya to draw the attention of the secretary to the circumstances of the consultations with Davis.

The secretary of state said that although he had not heard Davis speak of this, the note about to be published was altogether a declaration of American policy, and therefore any notes heretofore exchanged between Japan and America formed a separate question by themselves. After the Japanese government had examined the recent American note, and after further pourparlers, a decision for or against the publication of the correspondence between Japan and America could be made.

As April blended into May, differences grew milder with the weather and, though there were occasional gusts of stand patness and opposition, the matter tended toward an amicable solution. April 8 the French sent an informal note suggesting that Japan and America settle their differences by direct negotiation. Ambassador Ishii at Paris favored this mode of settlement, but Tokyo did not. France and the allies drifted towards favoring the United States view. Jusserand's verbal reply to the department of state accepted the United States stand.

There was talk in Tokyo of sending a special mission to discuss this along with other pending questions. America continued to consider Yap a general problem. The

formal French answer admitted that it was a four power affair and promised a more definite answer after the council meeting. In Japan there was a sharp division of opinion ^{on} ~~of~~ Yap; some wanted the government to stand on its rights, others wished it to negotiate and bring the difficulty to an end.

April 18 the three American notes of November 12, December 6, and April 5 and the Japanese notes of November 19 and February 23 were published. After refusing to yield her stand on Yap because she thought it reasonable and fair and because she was backed by the advisory council and the cabinet, the foreign office agreed to compromise.

March 26 it had been announced that Japan would institute civil government in Yap. April 28 it was again reported that the navy would leave next year and the cables would be under the civil control of the Colonial bureau.

Italy was next to support the United States demands ^{Yap} on England likewise informally favored the American stand on mandates. Consequently the supposed Japanese note of May 23 was imagined to be indecisive and polite, and at home Kato grumbled that Japan should have discovered the United States view at Paris. May 28 it was formally announced that Japan and America would arrange everything through the regular diplomatic channels, and the former would agree to internationalization of cables as long as she received political control of Yap.

The latter part of May Hughes told the press he was satisfied with the progress of the Yap negotiations.

Tokyo-Washington, No. 218.

May 30, 1921.

All the Tokyo newspapers recently published a Kokusai Agency despatch to the effect that it was announced from American government sources that the situation with regard to the Yap question was developing favorably to the United States and that the question would soon be solved in a way satisfactory to America.

It appears from the tone of Lord Curzon's remarks to the ambassador at London reported in the latter's cablegram No. 669 to the minister of foreign affairs, which was transmitted to you also, that Lord Curzon has not committed himself in any way to ambassador Harvey and it is supposed that the Americans may be conducting a propaganda of this sort. Has anything in this respect come to your attention? Please investigate and cable report on the facts of this American report.

Washington-Tokyo, No. 308.

May 1, 1921.

Washington-London, No. 151.

June 1, 1921.

Referring to your cablegram No. 218, about May 20 the secretary of state received persistent inquiries from newspaper men about the development of the negotiations on the Yap question. Hughes said that the negotiations were proceeding satisfactorily, whereupon not a few of the newspaper writers jumped to the conclusion that the Japanese government had recently sent a note on the question to the American government, and undertook to surmise the contents of the note.

The next day Hughes is said to have told his newspaper interviewers that their guesses were erroneous, that the American government had received no new note from the Japanese government, but that it was from his own impressions that he felt confident of a satisfactory solution of the question.

The articles of which you inquire must be based on this. It is hardly to be thought that Hughes' remarks had a propaganda purpose. I suppose that his

impressions are fortified by the feeling that the British and French answers on this question were favorable to America.

Washington-Tokyo, No. 344.

June 20 (1) , 1921 -

The Associated Press of Washington sent out the following cablegram on the fifteenth, which appeared in all the local newspapers.

(space)
Direct negotiations have been opened between the Japanese ambassador and the secretary of state on the Yap question, the immigration question, and the question of the return of Shantung.

Negotiations on the Yap question would seem to be based on the internationalization of the island. If a satisfactory settlement is reached, there will be no need for its discussion by the allied council.

At the base of the negotiations on the immigration question are the absolute exclusion of Japanese laborers, and the protection of property rights of Japanese residents in America.

Finally, Shantung must be immediately restored, without awaiting the decision of the League, and in accordance with Japan's declaration. As a first step, Japan will withdraw her entire army when there is a sufficient Chinese force to guard the present railroad and property, etc.

(space)
Although the above is not a report of the real situation, it would seem to have made a favorable impression everywhere.

In The Washington Post of the seven^{teenth}, appeared an article, the gist of which is:

(space)
It is matter of great satisfaction that direct Japanese-American negotiations have been opened on these various questions. Since the mandate system of the League of Nations is not recognized by America, the dispute between Japan and America concerning the acquisition or recognition of rights regarding the island of Yap should by all means be settled by free discussion between the two

countries. If the California question alone remains after the solution of the various questions between Japan and America, there will naturally be some solution which will not injure the friendly relations of the two countries.

W. L. G. 10/10/20
As for the Shantung question, Japan in accordance with her declaration that she has no political aims in that country, will accomplish the withdrawal of her troops in the not distant future, and the American government, in view of the friendship existing between her and China, must now work for a speedy restoration of Shantung. If the solution of these questions is accomplished through discussion between the Japanese ambassador and the secretary of state, there will as a result be a vast increase in Japanese-American friendship. etc.

In the interview between the secretary of state and myself on the eighteenth, he referred to the above report, and said he had read it over recently before his trip. However, for the public in general to appreciate that favorable progress was being made in the negotiations over the various questions between the two countries, was beneficial to national relations, and, in response to questions from everywhere, he had stated that he had not endorsed his report, nor did he confirm it, thus leaving it open. However, he wished it understood that the report was not anything which he had divulged.

For your information.

America's chief interest in Yap was the cables to Guam, Menado and Shanghai, but, as soon as she had an inkling that she would have her way, she greedily wanted wireless privileges included in the cable rights. We saw above in Communications conference cable No. 1 and in Communications conference No. 24 that sometime, *prior to December 11,* 1920 (No. 578), Tokyo had expressed her willingness to let America have jurisdiction over the Yap-Guam line if there were no other way out. Through the able services of the American Black Chamber in New York, the state department learned that all it

needed to do was to play a waiting game to get what it wanted, though it was not until June 18 that this formal offer was made.

The most important points to Japan were the control of the cable to Shanghai and the mandate of Yap, yet she wished eagerly to control that part of the Yap-Guam cable in the channel of Tomil bay where they emerged from the water. She knew she had slim opportunity of getting this wish, for every nation was suspicious of message supervision. She felt, however, that this was not necessary in peace, and in war a way could be found.

Washington-Tokyo,

Communications conference No. 31.

March 1, 1921.

Washington-London, No. 80.

March 23, 1921.

I have from time to time cabled you the progress of negotiations here in connection with the questions of the disposition of the former German cables and the Yap mandate. Now, however, the discussion of these questions is approaching a conclusion, and I think the time has come for the Japanese government to decide its final policy. I therefore respectfully submit the following summary of the course of the negotiations, with my recommendations.

1. The original attitude of the American government was to demand direct connection from America to the mainland of Asia and to the Dutch East Indies via the former German cables without surveillance by any other nation. Later this was gradually modified. It was finally seen to be inevitable that the connection with the mainland of Asia must be via the Japanese cable system. In regard to the connection with the Dutch East Indies it was also comprehended that, in view of the commercial relations between Japan and the Dutch East Indies, it was impossible for America to monopolize the connecting line. Thus finally America reached the point of making the proposals given in cablegram No. 26.

2. With regard to the provision in the latest American proposal that the

ownership of the cables be divided, I understand from your cablegram No. 578 of last year that the Japanese government will not object to this so far as it applies to American ownership of the Guam-Yap cable. But in those secret instructions, the wish was expressed that the part of the cable within the channel of Tomil Bay at Yap island should, so far as possible, be Japanese property in view of the necessity of repairs and for other technical purposes. The argument of the extreme necessity of Japan having charge of the repairs of this section is not clear. If this claim is made, it is to be feared that it will give rise to suspicion that some reason of a military nature is at the bottom of it. During the interview reported in Communications conference cablegram No. 24, I tried to make a proposal in accordance with the spirit of your secret instructions, but I regret to say that I was forced to conclude that there is no hope whatever of the other side consenting to this.

3. The most important difficult question is the operation of cables which land on Yap island.

Presumably recently since the war the European countries have been using the cables operated by them to spy into political and especially military secrets. America herself has acquired experience by following this example, and for this reason American government officials and people have a marked feeling of uneasiness about routing messages to and from the United States via foreign cable systems. The American people and government alike have thus come to advocate every means of escaping from the control of foreign cable systems.

They have awakened to the fact that their demands in regard to the Yap-Shanghai cable were very excessive, and they have abandoned these claims, but they persist to the last in their former opinion about connections with the Dutch East Indies, and are working to have facilities for sending and receiving messages between Guam and Menado without the intervention of a third power. With regard to this point, I intend now as before to follow your instructions to the limit of my ability and ^{to} strongly support our claims, but it does not appear that there is any room whatever for compromise.

4. Your cablegram No. 578 of last year proposes that the Yap-Menado cable shall become Japanese property, and that direct negotiations between Japan and Holland for the vested interests of Holland shall be conducted outside the present conference. From the circumstances explained in the preceding section, it is clear not only that America attaches the greatest importance to opening direct connection with Menado through the Guam-Yap cable, but that America would not like Japan to make an agreement with Holland harmful to America. I therefore think that there is no prospect of carrying this plan through, and in the end the ~~the~~ only thing to do will be first to decide the general lines of a solution between America and Japan, and then to negotiate on that basis with Holland.

5. I recently discussed this matter fully with the British ambassador. The latter said that the impression he had got from his contact with Davis was that, under the existing Japanese laws, it would be hard to execute the right of operating cables on Yap island, and the Americans could not entirely

[Ed. Note. Possibly, misapprehend this?], but America had already publicly addressed to the powers a protest on the Yap mandate question. Not only had this protest received the unanimous support of the senate foreign affairs committee, but an immense pressure was being exercised by American business men, and the situation was now such that there could be no compromise. The ambassador said that from a practical point of view there was no disadvantage to a country in permitting the landing and operation of foreign cables within its territory, and in view of this, Great Britain had long since adopted an open-door policy. If he might speak his private opinions without reserve, he thought that it might be the best policy for the general situation if Japan should devise some means of accommodating herself to the landing and operating of foreign cables at Yap.

Coming to the French ambassador, his attitude towards America is entirely one of compromise. He appears to think that it is not worth while to persist obstinately in questions like that of the German cables, when he has before his eyes the far greater urgency of the need of American cooperation in the general issues with Germany, the post-war economic reconstruction, etc.

Japan's position is not the same as that of the European powers, and we need not necessarily follow the example of Great Britain and France. Ultimately, however, if we persist in our present claims we shall find ourselves isolated, and the discord between America and Japan will be more and more accentuated. I have revolved many ideas for solving these complications, but in the end can find no program.

6. If we assume the establishment of an American cable office at the Yap end, and consider what influence it will have on our interests, it appears that from a practical point of view the principal purpose which it will serve will be to keep communication with the Dutch East Indies from Japanese control. But in time of peace it will not be imagined that important secret messages requiring our control pass between America and the Dutch East Indies, and in time of war we shall not lack proper means of especially safeguarding our interests.

In regard to the connection between America and China, America already has the Guam-Manila-Shanghai cable which is owned and operated by an American company, and all important cablegrams will always be routed via it except when it is out of order. It will therefore be our best policy to perfect our equipment and permit freedom of communication in order to induce Americans to use our cable system.

7. I have heretofore interpreted our law in the sense that it does not permit anybody except the Japanese government to operate cables within Japanese territory, and I have explained this to the American delegates. Actually, the Northern Cable company at Nagasaki conducts the technical operation of the lines which it owns. Presumably it has been the policy to make this the sole exception to the provisions of the telegraph laws. This system prevails in Europe also with some few exceptions. If under the present circumstances it should not be applied, and the American cable station to be established at Yap should also receive and distribute messages for the public as explained in Communications conference cablegram No. 26, this would be different from the Nagasaki exception, and, if we permit America to do this, we must inevitably give Holland the same right. Nevertheless, if we consent to the establishment of American and Dutch

cable offices on Yap, there~~will~~ be no way to prevent these offices from cabling political news to Guam and Menado, and the question of receiving and distributing cablegrams is in itself of course not worth thinking about. I do not think, therefore, that the mere receiving and distributing of cablegrams for the public would have any practical importance for us. The Netherlands charge d'affaires told me that in accordance with the pre-war practice, the chief of the Yap cable office would be a Dutchman.

8. Considering this question as a whole, the two points which are of importance to us are to have connection with China and the Dutch Indies by controlling the cable from the (main) island of Japan to Yap, and to have the mandate administration^s of Yap. America has already consented to the first of these points. If America will be satisfied with the right to operate the Yap end of the existing Yap-Guam cable, and a guaranty of the right to land and operate on Yap any cables which she may plan in the future, and if she will make it plain that it is her purpose not to interpose any objection other than this to the Japanese mandate over Yap, I think that a settlement^{ment} of the whole question on these terms by our consenting to the six stipulations laid down by Davis as described in cablegram No. 26 will be most important for the whole situation as regards Japanese-American friendship.

9. Communications conference cablegram No. 27 gives Davis's statement of the views of the secretary of state on the Yap mandate question, but it may be doubted whether these views are the result of deep study by the secretary of state. Later I shall have a full exchange of views directly with the secretary of state, but before that time I consider it necessary that I be informed of the policy of the Japanese government concerning the whole scope of the foregoing questions.

Please give urgent consideration to this, and cable me your views as soon as possible.

On April 7 Tokyo made the following suggestion, similar in part to the British plan

of December 11: the Yap-Shanghai line to Japan; the Guam line to America on loan payment, the Menado line to Holland for its surrendering all interests in the German-Netherlands company; all three lines to connect in a central office with the other two nations operating certain hours unsupervised and Japan, the remaining time; fair rates, a twenty-five year agreement and the Shanghai end in a Japanese cable office.

Washington-Tokyo, No. 145.

April 7, 1921.

Washington-London, No. 94.

April 7, 1921.

~~Washington-Tokyo, No. 146~~

~~April 7, 1921~~

~~Washington-London, No. 95~~

~~April 7, 1921~~

Referring to your cablegram No. 31, after conference with the chiefs of all the departments concerned, it has been decided that, before the question of the final policy of the Japanese government is submitted to a cabinet council, you shall submit to the Americans, as your own individual suggestions, the proposals outlined in the accompanying cablegram No. 146. You will sound the views of the other side and try informally to negotiate these points with the government ^{and} report results by cable.

As to cablegram No. 146:

1. Paragraphs 4 and 5 are thought to be the hardest to negotiate, but under this plan by making the cable offices on Yap a single place, not only will communication between Guam and Menado be quicker and less expensive, but there will be the advantage of having no inspection or other hindrance during certain hours at least. You will thoroughly explain this, and make it understood that this is an extraordinary concession on our part.

2. With regard to paragraph 6, before the war the Yap-Shanghai cable ended in the office of the German-Netherlands company within the German post office at Shanghai. The operation of the cables and the receipt, sending and delivering of

cablegrams were mostly carried on by the company, but a pneumatic tube was formerly used for through telegrams routed over the lines of the Northern company. This tube was burned down and destroyed.

3. With regard to paragraph 7, the stipulation of a fixed term of years for the landing follows the usual established custom for this kind of contracts. The period was made twenty-five years because the landing license of the German-Netherlands company was for forty years, of which fifteen have already expired.

Please make every effort to persuade the Americans thoroughly that the plan given in cablegram No. 146 is only your effort for a solution which gives fair consideration to the viewpoints of all three nations, Japan, America and Holland, and guarantees their joint interests in the matter of communications. At the same time, on the ground that this solution guarantees the direct communication which is the principal American object, try to have the Americans of their own motion go ahead to abandon their objections with regard to the Yap mandate question.

Washington-Tokyo, No. 146.

April 7, 1921

Washington-London, No. 95.

April 7, 1921

On condition that the present location of the three Yap cables is not changed, the following agreement will be made.

1. The Yap-Shanghai cable shall belong to Japan, and Japan shall lay the connecting cable between Naha and Shanghai making a Yap-Shanghai line.

2. The Yap-Guam cable shall belong to the United States, provided that the United States shall pay the value of the cable as a German loan to America under the second paragraph of the seventh annex to Article II of the eighth section of the treaty of peace with Germany (Note. Reference may not be correctly translated).! (PMA)

~~Article~~. (Part VIII of the German peace treaty, Section I, General Provisions for Reparations, Annex VII, second paragraph, reads - "The value of the above-mentioned cables or portions thereof insofar as they are privately owned,

calculated on the basis of the original cost less a suitable allowance for depreciation, shall be credited to Germany in the reparation account."

3. The Yap-Menado cable tax shall belong to Holland provided that Holland shall abandon all the interest the government and people have previously had (including rights, if there are any) in the German-Netherlands company.

4. For the Guam-Yap-Menado connection, by the installation of an automatic relay in the Japanese cable office at Yap or by direct line connection, direct communication shall be provided during fixed hours of the day, provided that the right of inspecting this be in Japanese hands. In case of necessity, no objection would be interposed to America or Holland stationing an engineer at the Japanese cable office for the purpose of inspecting the automatic relay or wire connection.

5. At hours outside those determined under the preceding paragraph, the connection between the Yap-Menado, the Yap-Guam and the Yap-Naba-Shanghai cables shall be through Japanese hands.

6. Japan shall regulate the method of connection of the Yap-Naba-Shanghai cable with due regard to facilitating communication. The Shanghai end shall be in the Japanese cable office, which shall operate the cable and carry on the receipt, sending and delivering of the cablegrams, provided that an agreement may be made for a suitable means of transferring messages between the Japanese cable office and the Northern company.

7. The landing of the Yap-Menado and Yap-Guam cables on Yap shall be valid for twenty-five years from the ^date of concluding this agreement.

8. The interested countries shall make a fair agreement in regard to rates and other details of communication connections.

9. The five great powers shall use their joint efforts to secure the consent of Holland, China and the Northern Telegraph to all the foregoing provisions, which are conditioned on securing the consent of each of them.

In reply Shidehara reviewed the situation and advised ^{the announcement of} ~~announcing~~ a policy of open

door for the cables in Yap, provided Japan received the disputed mandate, or submission of differences to a court of arbitration.

Washington-Tokyo, No. 244.

April 1, 1921.

Washington-London, No. 125.

April 29, 1921.

~~Very confidential.~~

In view of the importance of the influence which will be exercised by the Yap question on Japanese-American diplomacy and the relations among the five Great Powers, I have given the question most exhaustive consideration, and beg respectfully to submit the following personal views of the facts of the question and of the means of solving it.

1. The United States has before claimed that as one of the five great powers it is naturally entitled to a voice in the disposition of the territories ceded by the enemy nations to the five great powers, and already on November 20 of last year the then secretary of state clearly stated this claim to the British government with regard to the Mesopotamia mandate, and at the same time published this fact to the world. In spite of this, the allied powers took no account of America, but proceeded step by step with the settlement of the mandate question, and on December 17 of last year submitted the matter to the council of the League of Nations, which voted for the C class mandates.

This aroused the anger of the American government, and deepened the impression that America would in the end be excluded from the results of the joint victory unless it now took a strong attitude toward the allied powers. The disposition of the Yap question which has chanced to arise in connection with the class C mandates appears to be given importance, because it is considered as a test which will determine the basis of future relations among America and the allied powers.

2. In the Yap question, the basis of the American argument during the Wilson administration was that America had made a special reservation at the time when the allotment of mandate territories was being discussed in the Paris conference,

but the present administration has taken the policy of disowning all engagements arising from the acts of the former President, and of not ratifying the Versailles treaty, and therefore it attaches no importance to whether or not there was such reservation. It bases its argument exclusively on the fact of the American contribution to the joint victory, and makes the claim that inasmuch as the American effort was a powerful factor in compelling the cession of territory by the enemy^m nations, the other allied powers have no right to ignore America and decide the disposition of the former enemy territories. It is observable that the senate and even general public opinion in America have lately been backing this claim.

3. As this claim of the present American administration is based on the express provision of the Versailles treaty with regard to the cession of enemy territory to the five great powers, the question arises whether America, without ratifying the treaty and without acknowledging the obligations for which the treaty provides, shall simply participate in the rights given by the treaty. Some time ago, Davis told me, as the opinion of the legal adviser of the state department, that the cession of the territories by the enemy nations to the five great powers was an accomplished fact which must be recognized, even in case the five great powers did not carry out their engagements and America did not ratify the Versailles treaty, and that America had a right to participate equally with the other allied powers in the disposition of these territories.

This is doubtful as a legal argument, and, even from the point of view of fairness, there is room to argue that, when the allied powers as members of the League council under the provisions of the treaty of Versailles participated in the decision of the council of December 17, 1920, it was possible for America through the same formalities and with the same character^r to have participated in the decision, but America having voluntarily given up this position and standing outside the authority of the League council wished to exercise a veto over its decisions.

4. On the other hand, the basis for the claim that the Yap mandate reverts to Japan is the decision of the supreme council of May 7, 1919, but this decision

was not formally signed by the representatives of the powers, and would call forth the argument that, in its juridical character, the decision was merely a preliminary discussion requiring to be ratified later by formal procedure, and not capable of interpretation as an international agreement definitively binding on the powers concerned.

5. The Yap question appears to me to include two principal points at issue; first, the general principles which shall regulate the disposition of the former enemy territories; and, second, the results of the application of these principles to the case of Yap. With regard to the first point, Great Britain and France have absolutely the same or even greater interest than we, but with regard to the second point, Japan alone is in the main directly interested.

In a general way, the claim that no country has a right without the consent of America to decide the disposition of the former enemy territories; the claim that the administration of these territories must strictly carry out the principle of equal commercial opportunities, and in general the claim that each country must act in the capacity of trustee of all the five great powers in the administration of the territories allotted to it, and similar claims fall under point number one. The claim that Yap must be opened to all the powers in general for the purpose of landing and operating cables falls under point two. Great Britain and France have common interests with us in regard to point two only so far as it affects the application of general principles.

The position of Great Britain and France is: first, they will have a tendency to limit the scope of the question as narrowly as possible, to permit it to be decided by direct negotiations between Japan and America and to avoid being drawn into it themselves; second, even if the solution of the point at issue is delayed, Great Britain and France will always hold out to us the idea that they themselves feel no direct interest in it.

On the other hand, considered from our point of view, a speedy solution is necessary. It must be said that, if the solution of this question is delayed, popular feeling in both Japan and America will be more and more irritated, with the natural result that there will be a constant strain on Japanese-American dip-

lomatic relations in general which will have a bad effect on the proposed solution of the California question, etc.

6. If I may offer my personal opinion, there are two courses of action which Japan may take.

First, Japan may of its own initiative announce the policy that, if America has no objection to Japan exercising a mandate over Yap, Japan will throw the door open to all the powers in general to land and operate on Yap the former German cables and any cables which may be planned in future.

Second, Japan may propose the submission to a court of arbitration of all questions concerning Yap in which Japan and America have special interests.

As month later Tokyo submitted a plan to consent to open door for cables in Yap and retention of the mandate before the allied supreme council met. This plan of concessions was similar in certain respects to that of April 7: namely, sections 1, 2, 3, and 6. The others appear below.

Tokyo-Washington, No. 214.

May 28, 1921.

Referring to your cablegram No. 244 we feel that regardless of later developments in the Yap question there will ultimately be nothing else to do but to arrange a solution in the spirit of your recommendation No. 1.

The Yap mandate question will shortly be brought before the allied supreme council, and the Japanese government is indisposed to separate from the proceedings of the council and act on its own initiative for fear that it may prejudice the actual situation.

When the question comes up for discussion in the council, we shall contend that the dignity of the supreme council and of the council of the League of Nations requires that their decisions on the Yap mandate be maintained to the last. At the same time, we shall announce that it is our intention to admit all the powers freely to land and operate cables on the island, and shall thus

essentially satisfy the American demands. Our purpose in this is to try to get America to abandon its objections to the decisions in question of the supreme council and of the council of the League of Nations.

You are requested to secure an interview with the American authorities at the first opportunity and endeavor confidentially to ascertain whether there is any prospect that the Americans would really be satisfied with the extreme concession of the plan given in the accompanying cablegram and would give up their claims with regard to the mandate. Please cable the result as speedily as possible.

You will forward this and the accompanying cablegram to all Ambassadors in Europe and to the Minister at the Hague for their information.

Tokyo-Washington, No. 215.

May 28, 1921.

(Note. This cablegram is in JG code in which there are still a certain number of elements not yet thoroughly identified on account of their infrequent occurrence. Several such occur in this message and there is considerable garbling, but the text is largely identical with that of JC 1961 and the translation has not been delayed to await careful study of minor difficulties. The text of the accompanying cablegram (No. 214) offers no special difficulties).

.... 4. Each owner of a cable shall operate both ends thereof.

5. America, ¹Holland and Japan shall make a triple operating agreement guaranteeing connections between the cables.

... 7. The owner of each of the cables shall have the right of operation on the island of Yap, but shall impose no tax nor exercise any supervision on the island.

8. All the powers will be recognized to have the right freely to land and operate on Yap island any cables which may be planned in future. (As this involves a restriction on the powers of Japan in time of war, it is desired that, if we on the one hand recognize the right of free landing and operation of the existing cables, the solution shall provide that America and Holland shall

recognize the same right with regard to cables which may be planned in future.)

(Note. The preceding parenthetical comment is badly garbled).

9. The five great powers shall use their joint efforts to secure the consent of Holland, China and the Northern Telegraph company to all the foregoing provisions, which are conditioned on securing the consent of each of them.

As early as June 2 the rumor escaped that Japan might offer the Guam cable to the United States, because she wanted the mandate at all costs. A fortnight later it appeared again in the form that Japan would concede on the cables. Accordingly Hughes was all set when Shidehara presented the proposal June 18 and insisted once more on his demand for wireless rights.

Washington-Tokyo, No. 337.

June 20, 1921.

On June 18 I followed up the negotiations with the secretary of state on the Yap question.

According to the conversation at our last meeting, I presented as my own personal proposals, documents No. 1 and No. 2 (accompanying cablegrams No. 339 and 336, respectively). I explained that No. 1 related to the disposition of the former German cables in the Pacific, and No. 2 to the status of Yap. I added that the details ^{and} the wording of both had not yet received the approval of the Japanese government, and I therefore wished them to be considered only as my personal proposals.

Hughes rejoined that he would read these over and thoroughly acquaint himself with the contents, and in any case he would arrive at some decision by next week and would again follow up the discussion with me.

He alluded particularly to the point he had brought up at the last interview, that freedom of facilities should be afforded to wireless and to cable communication alike, and also to my argument against it, which was that the difficulty in the way of carrying it out was that America from the start had possession of Guam, and,

having wireless installation there, had facilities for exchange of communication with every point. However, in the event of trouble arising with the wireless apparatus in Guam, the use in its place of the wireless in near-by Yap would as a matter of fact be profitable, and there was no reason why Japan should necessarily have any objection to make.

I, in reply, explained as my reason that America actually had a cable under American management which connected Guam with the continents of America and Asia. If need should arise later on, the Yap-Guam line could be extended and another cable laid from Yap to the continent of Asia. As a matter of fact it was well-nigh impossible to conceive of such a contingency as communication on all these lines being at some day interrupted, and at the same time the wireless at Guam out of order. Also in thinking of the future progress of the Yap question, there was no doubt of the fact, as I pointed out at our former interview, that the proposals America had made during the time of the Wilson administration regarding Japan's mandate over Yap had started with the sole object of securing the right to land and operate cables in this island. On this point, Japan, casting aside a thousand and one difficulties, was still striving to meet America's wishes. For the present American administration to go a step further and present fresh demands, would be to increase difficulties in the way of solution.

Hughes replied that he understood that, judging by the progress of the question in the time of the Wilson administration, proposal No. 1 was not unreasonable; but looked at from another angle, when construction of the cables was approved, it seemed inconsistent to oppose the construction of wireless apparatus which was similarly an instrument of communication. American wireless facilities in Yap, while affording some measure of advantage to America on her side, would at the same time apparently not work any special harm on the side of Japan. However, he would study this point further, and discuss it again.

Thus the day's conversation ended.

In this chapter we have seen what Japan wanted and on what she based the authority

for the granting of her wishes. In the next we will see what the United States desired,
namely all the privileges of the members of the League of Nations and then some, and
how she succeeded in gettin^g_g her own way.

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Part VI,

Yap.

Chapter 19.

The Vanity Case.

America had her own ideas as to the disposition of the cables and did some good horse trading to get her way. She presented her first plan for settlement through Davis March 17 and 18 in interviews with Shidehara, whereby the three cables would be owned by the different countries and a triple business agreement with no surveillance would be drawn up. The six points mentioned below were referred to in No. 31 in the last chapter. ^(which follows below) (The Morris-Shidehara plan had to do with the immigration problem in California.) ⁽²⁾ Lanel was the French representative to the international communications conference. Davis was apparently reluctant when Japan sought to apply concretely the noble statements of the American government as to "recognizing the right of any country whatever to land and operate cables on unfortified island possessions of the United States". Shidehara called the bluff and Davis immediately said the two cases were different. Hawaii was a voluntarily given right, while the cable right at Yap was one won in the war.

Hughes wished to reinterpret the meaning of mandate, but Shidehara remarked drily that the real meaning could be determined only by those most concerned,

the members of the League, and implied that until the United States entered the League she could not change ⁿ or control the meaning of the word. Davis would not vouch that the new government would no longer object to the Japanese mandate if cable rights were obtained.

Washington-Tokyo,

Communications conference No. 26.

Washington-London, No. 69

March 1, 1921.

March 19, 1921.

In an interview with Davis on March 17, I set forth the impossibility of letting the question of the disposition of the former German cables and the questions relating to the island of Yap continue to drift unsettled, and pointed out that the untended condition of these questions was brewing unhealthy conditions for both countries.

Davis expressed entire agreement with this, and said that there were not a few elements in Europe that were interested in this unsatisfactory condition and wished to aggravate it. The day before he had spoken with Secretary Hughes. The latter said that he had not yet had time himself to study in detail the status of these questions. He was sympathetically disposed toward the so-called Morris-Shidehara plan, ^(Faint) but the plan would encounter strong opposition among the people of the west. If the Yap question which is now disturbing the public opinion of the country could first be satisfactorily solved, his position for putting through the plan for solving the California question would become much easier in comparison.

Davis added that he had not obtained the permission of the secretary to divulge this private conversation to me, and I must keep it to myself as confidential.

I said that in order to study a method of definitely solving the cables and Yap question, there must first be no misunderstanding as to the real motives of both parties. I therefore now requested a concrete and plain

statement of the claims of the American government.

In reply Davis gave me the American proposal for the solution of the question of the former German cables in the Pacific ocean.

- (Japanese)*
1. The Yap-Guam cable to be owned by America.
 2. The Yap-Menado cable to be owned by Holland.
 3. The Yap-Naba-Shanghai cable to be owned by Japan.
 4. The owners of each of these cables to operate both ends.
 5. A triple agreement between America, Japan and Holland for an equitable handling of connecting business to guarantee connections among all the cables.
 6. The owners of each cable to have the right to operate the cable at Yap without being subject to any taxation nor ⁱsurveillance.

(in German)

Davis said that if ^asatisfactory agreement could be made on these six points, a definite solution of the former German cable question would be attained so far as concerned Japan and America alone.

I brought up a question about this right of operating the cables, i.e., I asked whether I was to understand that the American cable office to be established at Yap would merely handle connecting business with the two other cables, and did not include the purpose of receiving and delivering cablegrams directly for the public.

Davis said that this point had not been brought up before, but there would be no reason why the American cable office should not receive or deliver cablegrams from or to Yap which passed over the Yap-Guam cable.

^{2 (short)}
I said that Lanel had told me that France permitted American cable companies to land their cables on French territory and to control their technical operation, but French law required that the collection and distribution of messages must be in the hands of the French bureau of communications. I called attention to the fact that from the point of view of the exercise of rights of national sovereignty, the right of landing and technically operating a cable was entirely a different thing from the business of

collecting, distributing and sending messages for the public.

Davis said that, even if the French law was as described by Lanel, in the first place this was an old-fashioned system which merely mischievously complicated business for no real advantage and which the United States had already discarded. In the second place, a mandate territory was different from a territory under the particular sovereignty of one nation, and should naturally adopt the principle of absolute freedom and equality in rights and facilities for communication.

I said that, if we went into these disputed points, we would wander off to a discussion of the nature of mandates. For the present I would reserve my views, and would enquire whether, assuming that a satisfactory agreement should be reached on the American claims which Davis had set forth, I was justified in understanding that the American government would have no further objection to the Japanese mandate over Yap.

Davis merely replied that this did not apply merely to the existing former German cables, but in case of future necessity America or any other country on the same terms must have the right of landing operating cables on Yap.

I again pressed the question whether, assuming that Japan should recognize this right, all the objections of the American government to the Japanese mandate over Yap would be extinguished.

Davis said that in fact the only purpose of the former administration in objecting to the Japanese mandate over Yap was to insure for all the powers in general the right to land and operate cables on Yap. As to whether the new Administration would adopt the same policy, Davis said that he now remained in office as a member of the communications conference, but had already retired as assistant secretary of state, and could not now reply to this question as representing the present administration. Of course he would not fail to recommend this previous policy to Hughes as the really fair one.

I said that at the time of the delivery of the note of December 10, 1920

from the American chargé d'affaires at Tokyo to the Japanese government, it was declared that it was the policy of the American government to recognize the right of any country whatever to land and operate cables on unfortified island possessions of the United States. I asked whether in case Japan conceded this right to the United States in Yap, the United States would, for example, concede the same right to Japan in Hawaii.

After a little hesitation, Davis replied that America claimed this as a natural right at Yap, and was averse to have this right considered as a compensation for a right which America had voluntarily given to Japan in Hawaii. The solution must avoid this, but this point would be given thorough consideration.

Finally I said that of course the purpose of our interview today is simply to ascertain the claims which the American government has heretofore advocated. Not only is there no means by which I can yet have the least knowledge of the views of the Japanese government as to whether it is possible to accede to any of these claims, but my own ideas are entirely unformed. There was one thing, however, which I particularly wished to say at this time. From first to last my greatest concern had been the perpetuation of Japanese-American friendship. In case the Japanese people were given the feeling in the least degree that the Japanese government had given up its original claims under American pressure, the questions of the disposition of the former German cables and of the Yap mandate might be temporarily solved, but the influence on the future relations of Japan and America might be bad. It must be said that unless there were found a harmonious solution fair to both sides, an extremely grave influence might be left for the future.

I had sincerely directed my efforts to this one point, but now I regretted to say that it must be considered as an existing fact that the points at issue had drawn the attention of the people of the two countries, and had caused a mutual development of nationalistic sentiment in both. I sincerely hoped that the American government would take thought of this

general aspect of the situation and would not adopt the attitude of ignoring the standpoint of Japan in endeavoring to reach a solution.

Davis listened attentively to these remarks, and seemed to be not a little impressed with them.

Tokyo Communications Conference No. 27. March 7, 1921.
Washington-London, ~~March 19, 1921.~~
Washington-London, No. 70. *March 19, 1921.*

In the interview which I had with Davis on March 18, the latter said that he had endeavored to ascertain the views of Hughes with regard to our interview of the preceding day, but he had opportunity to see him only a few minutes, and, interrupted by a constant stream of callers, he did not succeed in talking the matter over thoroughly.

He stated as the opinion of the secretary of state that, if supervision of the landing and operation of cables on Yap were to be given to any one country, he personally had no objection to Japan having this supervision as mandatory of the island, but he felt that the powers recently were getting far away from the original character of the mandate system and were interpreting it as if it had the same meaning as ceded territory. Therefore in the recognition of the island of Yap as a Japanese mandate, the meaning must be made clear that Japan was merely entrusted with the administration of the island as the trustee of the five powers.

I said that I was at a loss to understand these views of Hughes. In the first place the argument about the distinction between mandate and cession did not apply only to Yap, and I inquired on what principle the character of mandates should be made clear with reference to the Yap mandate in particular.

In the second place, at the time of the Paris conference, Australia and New Zealand had put in a strong claim for the simple cession of the former German islands in the Pacific south of the equator. A compromise was finally made under the name of a mandate, but it was understood that this was in fact no different from a cession of territory, and was acceded to in this form. This is the reason that the words "as a part" are in the

covenant of the League of Nations (Note. Text Garbled and doubtful all through here). ^(Flint) ~~Flint~~ ^(Flint) "An integral portion", see article ^{XXII} ~~22~~, clause ⁶ ~~6~~ Note. 52 last chapter.) To ignore this course of events, and to interpret the mandates of the South Pacific islands as a case under Articles 4 and 5 ^{stet} of the treaty would not be fair. Finally, the character of mandates could be interpreted only by interpretation of the text of the covenant by nations which had entered the League. At the present time, could the United States not regulate the terms of mandates.

Davis said that he himself was not in a position to explain the point of the determination of the mandate terms by the League assembly without consulting America, and I should exchange views directly with the secretary of state.

Referring next to the question of permitting the landing and operation of Japanese cables in Hawaii and other American islands, Davis said that one plan would be for America to send a note to Japan (and, if Japan wished, to follow the same example with Great Britain and Italy) stating that this agreement had once been discussed in Committee No. 4 of the communications conference, that later Japan had withdrawn from the discussion leaving it to be discussed between Great Britain, Italy and America alone; that the delegates of these three powers had drafted an agreement which had not yet received the approval of their governments and that America was willing to permit Japan to land and operate cables on American island possessions on the same terms.

I said that inasmuch as the Japanese delegates at the time had declared Japan could not accept this proposed British-Italian-American agreement, the identical question could hardly be raised again. If, in the assumed case of Japan permitting America to land and operate cables on Yap, America should grant the same rights to Japan in Hawaii, I thought this might to some degree quiet Japanese public opinion, but, on the other hand, after we had asked as to the policy of the American government, a request by the American government for a reconsideration of the above-mentioned agreement proposal would not

serve the purpose of quieting Japanese public opinion, and there was no reason for considering it.

Davis understood the Japanese position, and pondered on a suitable plan, but in the end there was no time to find one, and we adjourned.

Shidehara followed this with the lengthy cable No. 31 which we read in the last chapter discussing the merits of the American proposal and advising Tokyo to concede the six points. To this, we saw, Tokyo countered with a proposal of her own in No. 145 and 146. In the meantime the communications conference was still in session. In the fifteenth meeting Shidehara explained the latest American plan and sought to discover whether America would stop opposing the Japanese mandate if she got her cable rights. To this Henry Prather Fletcher, the new assistant secretary of state, replied in substance that administration by one nation would not be opposed if America received unrestricted rights as to cables.

Washington-Tokyo,

Communications conference No. 33.

April 1, 1921.

Washington-London, No. 122.

April 23, 1921.

The fifteenth session opened at 4 P.M., April 21 and adjourned at 6 P.M.

... Finally we passed to the question of the German Pacific cables.

At Davis' request, I explained the latest American proposal, which I reported in Communications conference cablegram No. 26. I then said that this proposal is no doubt being considered in a spirit of good will by the Japanese government, but now complications had recently been introduced into the Yap mandate question, which was very closely related to the question of the disposition of the former German cables. As it was difficult to solve the two questions separately, I thought the Japanese government was naturally postponing its decision. I went

on to say that it would facilitate the consideration of the entire question, if we were plainly informed whether the American government had any concrete proposal with regard to the status of Yap.

The new assistant secretary of state, Fletcher, said that he thought it indispensable to find some plan with regard to the status of Yap which should satisfy the interests of Japan and also satisfy the interests of the other powers, and he would at any time undertake informal conversations with me for this purpose.

I said that I had recently had several dialogues with Davis and Fletcher, but had not been able precisely to penetrate the attitude which America would take.

During this, Fletcher said, "If we were given absolutely unrestricted rights in regard to cables, we should not feel it difficult to leave the administration of the island in the hands of a single power". I think that this deserves attention.

Finally I asked by way of experiment whether all question about the mandate would be extinguished if Japan should consent to the free ^mlading and operation of cables at Yap.

Fletcher said that the general question of mandates would remain. This question did not concern Yap alone.

Davis said that in the case which I mentioned, the German cable question would be solved, but the question of the status of Yap would still not be settled.

(space)
It was after that that Shidehara had counselled announcing a policy of open door for the cables if Japan could thereby receive the disputed mandate and that Tokyo so consented and forwarded her counter proposal. Yet when Shidehara asked Hughes June 3 whether America would no longer object to the Japanese mandate of Yap if she obtained her cable rights, Hughes explained America's anger at being ignored in the assigning of the mandates and demanded wireless rights as well as rights for any future means of communication. Shide-

(should be to him young)

hara indicated the necessity of avoiding a similar occurrence of ill-feeling as that which arose from the thwarting of Japanese wishes after the Sino-Japanese war, and prepared the way for the presentation of the Japanese plan a fortnight later.

Washington-Tokyo, No. 314.

June 5, 1921,

On the occasion of an interview with the secretary of state on June 3, I referred to the Yap question, saying that the Japanese government earnestly desired as speedy a settlement as possible.

I stated that this question naturally separated itself into two heads, the first having to do with the control of the former German cables centering about Yap, while the second related to the international status of Yap.

The question under the first head had been frequently brought up for discussion in the Communications conference. I was already acquainted with the American claims there, and I now was confident that the hopes for a satisfactory settlement would be completely realized.

But for the question under the second head, I had not yet heard any concrete proposals from the American government, except that I understood the point upon which America heretofore laid special stress was her right to free access to Yap for purposes of landing and operating the existing Yap-Guam line and all cables projected by America in the future. It was of prime importance in devising a settlement for this entire question that it be made clear whether, assuming that America's authority was recognized, there would be any objection to considering the question of a special mandate over Yap as no longer existing.

Hughes replying, argued that America, as a member of the principal allied and associated powers, had contributed to the victory. Therefore America must have equal rights ^{and} ~~an~~ facilities with the allies as to the territories given up by Germany to the victors. The American government

had long ago laid down this principle; nevertheless it had been disregarded by the various allied countries, and, without waiting to confer with America, they had forthwith submitted the mandate question to the League council, and arbitrarily in the name of the five powers, had assigned Yap to the mandate of Japan. This was most unsatisfactory to America; therefore America could not but oppose the taking of a preferential position as to rights and facilities in Yap by any one country, whichever that country might be.

I asked whether the above principle laid down by the American government did not inherently ^{and} ~~ad~~ rightly apply to all the former territorial possessions of the enemy.

Hughes, after hesitating slightly, replied that, although the above principle naturally applied to all the former territorial possessions of the enemy, as a matter of fact he had no desire to insist upon it outside the region of Yap. It was simply that Yap happened to be a very important place as to communications, and therefore he must insist that this principle be carried out in that island.

Then I asked, if the reason for America's ^{insisting} on this claim as applied to Yap was because of the point that this island was important as a communication center, then, as I had said before, would not America consider the question of the internationalization of Yap entirely settled in case there was recognition of America's right to landing and operation of cables on the island?

Hughes answered that America wanted in Yap equal rights with other powers as to every sort of communication facility, including not alone submarine cables, but also wireless and any other invention which the progress of science might make in the future.

I pointed out that the effective distance for wireless telegraphy today amounted to several thousand miles. Since America had possession of Guam, which was not more than a mere 200 miles distant from Yap, wireless installed at Guam should serve to satisfy amply the American demand. I did

not believe the demand for wireless installation at Yap was based on any actual necessity.

To this Hughes expressed no particular opinion.

Then saying I would very frankly set forth my personal views, I continued as follows:

First of all, the decisions of supreme council of May 7, 1919, in accordance with the final draft of those decisions, were published the following day. But in the articles so published, there was no reservation or special provision whatever regarding Yap. Thereafter no objection to the published articles was brought forward by any country, and so the Japanese people naturally expected these decisions to be carried out according to their wording.

However, when last year the former American administration suddenly made the claim that there was a special reservation which was not recorded in these decisions, public opinion in Japan received this with amazement. It could be said that the islands of the Pacific archipelago, formerly owned by Germany, lay for the most part to the south of the equator. That the mandatory of these should belong to Australia, New Zealand, or the British Empire brought no objection from America. It was only against the paltry tract allocated to Japan that the question of principle was charged, and the objection strongly insisted upon, - the natural development of which was to cause Japan to entertain suspicions of America's real intention.

According to the reliable newspapers in Japan, America's recent actions had made a deep impression on the mind of the people in general, a fact to be deplored from the standpoint of the relations between the two countries. Also, the Japanese people had the bitter experience of intervention by three powers after the Sino-Japanese war. At that time the Japanese government, in consideration of the situation as a whole, gave in to the demands of the three powers in relation to Germany's claims, and made a retrocession of territory. Although this question was temporarily settled, there was no way of wiping out the tremendous effect upon the feelings of the nation,

and later on it was one of the underlying causes of the Japanese-German war.

Japan and America should both draw a lesson from this. Quietly ^{we} considering the future, were both mutually devising methods of settling the most important points in a way that would not long leave a feeling of unpleasantness in the minds of both countries. On this account, both sides needed to discover fair points of compromise.

Formerly, the Wilson administration had demanded for America the allocation of the Yap-Guam cable and the right to operate both ends of the cable. Regarding the status of Yap, the claim was made later on for freedom of landing and operation for all American cables. The Japanese government could not give consent to this because of domestic laws and regulations and its connection with domestic administration. Nevertheless, for the sake of Japanese-American friendship, a thousand and one difficulties were being brushed aside, and thought was being given now to satisfying American demands and claims.

If the present American administration, following fresh tactics, was laying claim not only to the cables alone, but to a principle of equality in the matter of rights and facilities for all communication, then the concessions asked of Japan were more and more rigorous and appeared almost unlimited. If such conditions were imposed, I personally had small hope of a solution, and I feared beyond measure for the continuation of Japanese-American friendship.

Finally, he asked me to submit a written memorandum of the plan of solution which I had in mind.

I consented to this.

He said we would later renew our discussion on the basis of this memorandum.

With this the discussion closed for the day.

The mandate questions was a sore spot in the hearts and minds of the Japanese, for they remembered losing their lawfully ceded share of spoils, the Liaotung peninsula, after the Sino-Japanese war. Therefore, when they heard that America might be invited to attend the imminent supreme council meeting to discuss the status of mandates and other problems, Tokyo was not all eager to see her present, even though England, France and Italy upheld their right to the mandate, for fear a change in policy would weaken the League. Moreover, public opinion at home demanded Yap.

Tokyo-London, No. 279.

May ?, 1921.

London-Washington, No. 189.

May 4, 1921.

To you and Ambassador Ishii, Referring to the end of cablegram No. 414 from the ambassador at Paris to you, the presence of the United States at the supreme council in case of consideration of the Yap question would not be to our advantage, but Great Britain, France and Italy eagerly desire their presence in connection with their relations with Germany, and a display of an attitude of opposition and distaste on the part of Japan would be extremely "delicate".

It is thought that there will be nothing to do in the end but consent, but, in case of an invitation to America, there is a question in what capacity the American representatives would be present, and, in case resolutions are brought in by the Americans, there may be a fear that they are merely sentiments ~~which~~ which will not in the least bind the American government after they have been voted.

You will indirectly inquire the views of the British and French representatives on this point as far as possible during the Council meeting.

(space)

Tokyo absolutely refused to open discussion on the status of Yap, for this might lead to a change in the mandate terms, and bolstered her opinion of the American demands with legal advice. The astonishing thing to Japan and to the allies equally was the bold move of the new Republican administration in dropping all claim to the weak legal arguments used by the former secretary of state in its admonitory notes of November 12 and December 6, 1920. This new move may have been based on a general repudiation of all Democratic stands or it may have been due to the tacit recognition of their weakness in this case. Whichever it was, Tokyo was quick to pick flaws in the new basis for disputing the Japanese mandate; that, as one of the allies, the United States had a right to the cables and former possessions of the enemy and a say in their division, and that, since there was no treaty and no authorized representatives of the people to dispose of them, no previous decisions were conclusive.

If it were true that, according to international law, the rights of the victor are indecisive until determined by the peace treaty and that all rights and obligations of a treaty come from adhering to it, America was certainly taking the world by the ears and turning it topsy-turvy to have things all her own way. She wanted all the privileges and none of the responsibilities. She was as fickle and irresponsible as an adolescent. No wonder Japan was slightly dizzy at this new form of "unselfish" greediness. Once again one must ask "why should she be given the rights if she refuses the obligations, especially if she repudiates her past acts when they are momentarily disagreeable and unsatisfactory to her present way of thinking?"

Once again Japan seemed to have logic and law on her side. The new arguments were hardly more tenable than the others. What better or more authoritative representative could the American people have had than their president? Calling the new proposal "revolutionary" was being exceptionally polite. One can imagine what Obata would have said if it have been China repudiating with such tenuous excuses.

(Plut)

(For No. 591 see Chapter 18.)

Tokyo-London, No. 315.

May 1, 1921.

London-Washington, No. 219.

May 20, 1921.

Referring to your cablegram No. 591, ^(Plut) the views of the Japanese government on the Yap question were communicated to you in our cablegram No. 280. With regard to the status of Yap, ⁱⁿ _^ view of the situation in Japan, the government cannot make a concession of the position which it has hitherto taken, but with regard to the cable question, to which the American government has hitherto attached the greatest importance, it is felt that there is still every room for negotiation. The question of a concrete proposal and of the form which these negotiations shall take is now under study and it is intended today to outline our attitude in this respect.

It was stated in our cablegram No. 117 (Note. Not available) that the Japanese government recognized the reasonableness of the original view of the British government that for the time being we should handle the question juridically and let the fundamental solution wait on the course of events. The Japanese government has thought it advisable to continue this policy again, in case the question should be discussed at the next meeting of the supreme council, but in the question of procedure and methods it is not the purpose of the Japanese government to be persistent to the degree of ignoring the cooperation of the allied powers.

If, therefore, the British government considers it proper that the next meeting of the supreme council should immediately undertake the solution

of the Yap question, the Japanese government will not oppose this. In that event, in consideration of the existing promise and fact of mutual support between the British and Japanese governments with regard to the ownership of the German islands north of the equator, including Yap, and of the German islands south of the equator, and in view also of the far-reaching points with regard to the fundamental basis of mandates which are involved in the American claims, the Japanese government considers that, before the submission of this question to the supreme council, it will be politic to have a preliminary understanding between the Japanese and British governments to secure perfect collaboration.

You will seek an early opportunity to see Lord Curzon and will say to him that the Japanese government is profoundly grateful for the very valuable advice with regard to the Yap question which His Lordship has so faithfully expressed. You will say that the Japanese government is considering this question in the spirit of carrying compromise to the utmost, and that it is glad to find itself at one with the views of the British government in this regard. You will make plain the position of the Japanese government in accordance with cablegram No. 280 and the foregoing, will ascertain the views of Lord Curzon and will work to secure the support of the British government for the views of the Japanese government.

In regard to this negotiation, it is feared that the carrying on of formal negotiations with Great Britain at the present time after the appointment of an American representative to attend the supreme council would hurt the feelings of the Americans and might make it hard to secure the support of Great Britain even. You will therefore make especial effort to have these conversations as informal and intimate^t as possible.

For the ^asake of certainty, following is a summary re-statement of the views of the Japanese government with regard to the solution of this question.

1. The Japanese government cannot approve any discussion which may

produce an alteration in the status of the island of Yap and cannot declare its assent to a rediscussion of the question of the allotment of mandate territories. In regard to the American claim for the application of the principle of equal opportunities in mandate territories, the Japanese government has no objection to a rediscussion of the question of equal opportunities in Class C mandates provided that the conditions of Class C mandates as determined by the League council in December 1920 are maintained.

(Note. The preceding paragraph is somewhat garbled and the rest of the message from this point is badly garbled.)

2. With regard to the cable question, the Japanese government will not decline to negotiate with America in the most perfect spirit of fairness.

With regard to the passage in your cablegram about the extension of civil administration to Yap, in view of the indeterminate status of the island the original military regime of occupation had been maintained, but when the mandate status had been determined, and on April 29 various decisions affecting all these territories had been proclaimed, it became impossible to continue this situation because of questions of form and of budget procedure. Naturally there was in this not the least thought of transferring Yap alone to civil administration. The significance is the same as that of the transfer of British territory to civil administration, and is nothing but part of the procedure of transferring the whole of the islands assigned to our mandate north of the equator to civil administration.

The Yap questions are in an entirely different category of consideration and the matter of leaving Yap under a military regime or of bringing it under civil administration has no bearing on their solution. In order to avoid misunderstanding, please explain this point to Lord Curzon with especial care.

Tokyo-London, No. 334.

June 1, 1921.

London-Washington, No. 241.

June 3, 1921.

~~Very much interested~~

(Note. Text is badly garbled, with long passages in which the exact text cannot be reconstructed.)

Following is the opinion of the Japanese legal advisers on the American note of April on the Yap question.

1. In notes of November 12 and December 6, 1920, the American government claimed that the American representatives had made reservations in advance to the inclusion of Yap in the decision of the supreme council of May 7, 1919. In opposition to this, the note of April 5, 1921 states that inasmuch as the United States have no treaty on this question, the decision of May 7 has no binding power on the United States, etc., and that the minutes of the session of May 7 of the supreme council have no conclusive force nor is there any reason in the nature of things why they should have such force, etc. The expression of this attitude of rejecting the decision of the supreme council of May 7 was entirely unexpected by the Japanese government.

2. If it should be argued that America as a recompense for its contribution to the victory in the war should participate in the rights and advantages acquired by the allied and associated powers even though it has not signed the treaty of peace, it need not be said that Japan like all the other powers recognizes America's contribution to the victory. As the argument of the American government applies to the whole scope of the peace, it should not be incumbent on the Japanese government to answer it independently, but, if it may express its views, it holds that in the matter of the acquisition of territory and other advantages from an enemy such as the American government claims, according to international law and precedents up to the present time, in all cases except that of the annihilation of an enemy, the rights of the victors are indeterminate until they are determined by the treaty of peace.

In general it is considered that it has been an established principle that all rights and obligations under a treaty accrue from the fact of entering the treaty, and naturally there is no exception in the case of

of the treaty with Germany. It is felt that America can hardly protest after taking the step of [Ed. Note. Possibly, refusing recognition] of the victory, and that America cannot vindicate this as a right before the other powers until after it has ratified the treaty.

3. It is not considered just that the United States on the one hand should not be bound by the treaty on the ground that it has not ratified it and on the other hand should base claims on individual provisions of the treaty. To sustain the American claim to participate as one of the principal allied and associated powers in the present disposition of the German overseas dominions, America must first ratify the treaty. Certain provisions in the treaty may have been made in the expectation that America would ratify the treaty, and, in case of America not ratifying, it might not be possible to grant rights of this kind.

The American note argues that, if the rights claimed by America were not in the treaty, ~~claimed by America were not in the treaty,~~ they might not have been ceded or relinquished to Japan and the other nations. It must be said that this argument can be reversed and used to reply that the enjoyment and acquisition of these rights depends on the treaty which America has not ratified.

4. The note of the American government argues that the American government had not given the supreme council nor the League of Nations any authority to bind nor to represent the United States, and had not concluded any treaty nor authorized anyone to relinquish American rights and interests in the island of Yap. It is the understanding of the Japanese government that the allotment of mandates was decided by the supreme council of May 7, 1919 in which the United States was represented by President Wilson, and that the definitive character of the decision ~~and~~ ^{was} clearly recognized by the British and French governments. It is a fact as alleged by the American government that the allotment of mandates did not have the character of a treaty, but there were few among the decisions of the supreme council which were signed by the representatives of the various powers or which had the form

of treaties, and the argument from this fact that the decisions of the supreme council had no validity are contrary to the understanding among the interested powers at the time.

If we may cite one instance, in the present question of the disposition of the former German cables and the questions of the Communications conference, the United States government on November 26, 1920 suggested to the governments of the four powers the propriety of observing the protocol of May 3, 1919, in spite of the fact that it was not signed by its representative and did not have the character of a treaty. The American delegates in the modus vivendi of December 14, 1920 also affirmed the validity of that protocol. As has been pointed out before, the American notes of November 12 and December 6, 1920 recognize the decision of the supreme council of May 7, 1919 with regard to the allotment of mandates and merely allege that America had made reservations as to the inclusion of Yap.

In the view of the Japanese government, the American claim to reject the whole question of the allotment of mandates, to ignore the whole basis of the rights of the victors and to revise the decisions of the supreme council or to attempt a new agreement must properly be regarded as a revolutionary proposal. An attempt to overthrow decisions which had been reached with difficulty after a study of all the varied interests of the powers concerned can result only in complicating the situation to ^{no} ~~any~~ good effect.

5. In regard to the American claim to have made a reservation, the Japanese government replied in its note of February 23. (Note. The rest of the note recites Japan's services in the war, the recognition by the Allies of her claims to the German islands in the Pacific north of the equator, etc. which Japan has yielded to take a Class C mandate, and expresses confidence that her claims will be recognized.)

As soon as the invitations to the Washington conference were out, Japan wanted to make sure that Yap would be kept off the agenda. The United States, however,

wanted Yap included if it were not settled quickly. This acted as an additional incentive to bring the matter to a speedy close.

July 29 there was another rumor that Hughes expected to have his own way with the Guam cable and a month later there were reports of a treaty to bind the agreement. Possible terms were published in Tokyo the middle of September and September 22 the treaty in which America would recognize the mandate was acknowledged ready for drafting though its validity depended on the acceptance of the allies.

It soon emerged that the United States was demanding equal rights and privileges as extended to the members of the League of Nations, such as land ownership, and Japan felt it necessary to consult the League lest this, under the most-favored-nation clause, would result in the open door in Yap for all the world and a closed door to Japan in the other Class C mandates.

Shidehara as usual worked constantly for concessions on the part of the home government and counselled compromise. On August 20 he suggested accepting the general principles of the proposed plan quickly and two days later pointed out that it did away with the threatened internationalization of Yap.

Washington-Tokyo, No. 541.

August 20, 1921.

I had an interview with the secretary of state on August 19.

The secretary said that he had considered his views on the proposals for the solution of the Yap question presented by me on June 18 which are given in my cablegrams 338 and 339, and he read aloud the memorandum which I am cabling separately.

I heard it read, and then:

1. I asked whether the guarantee of freedom of residence and access and of exemption from taxes, which was requested in the first point of the memorandum, included cases not connected with purposes of the cable business.

The secretary replied that Yap was an island of no commercial or industrial value and therefore it did not appear that there would be any American citizens residing temporarily or permanently on the island nor any American ships touching there for general commercial or industrial purposes. This matter contemplated only cases connected with the cable industry.

I said that I did not know whether there are at present any Americans living on the island or American ships touching there, but I had once heard that there were actually some foreigners living there. According to the wording of the memorandum it could be interpreted to demand the guarantee of the specified rights and privileges also for these foreigners and their property and vessels even although they had no connection with purposes of the cable business. If such were the case, I thought that mature deliberation might be required on the part of Japan, which had the responsibility of the mandate administration, and I said that it was for this reason that I raised the question.

Hughes said that in case a treaty were drafted later, amendments could of course be made in the phraseology of the memorandum. He hoped that for the present no importance should be attached to the phraseology, but that the general principles should be given consideration.

2. With reference to the second point of the memorandum, the secretary of state, in answer to my questions, explained that, even if Japan should some day remove the existing wireless facilities on the island, the United States did not have any fixed plan of immediately replacing it, but from a standpoint of fairness the United States attached importance to the recognition of the right as a purely theoretical question.

3. With reference to paragraph nine of my proposals, which provides

that the five great powers shall jointly negotiate with The Netherlands, China and the Great Northern Telegraph company, I asked the opinion of the secretary as to whether the sentence at the end of the memorandum, which points out the necessity of making a treaty among the five great powers, meant that a treaty should be made embodying paragraphs one to eight of my proposals, and that then, as the result of the conclusion of the treaty, the five powers should negotiate with The Netherlands, China and the Great Northern company.

The secretary said yes, and added that he himself did not have any definite views about such questions of procedure.

After these questions and answers, saying that after further mature consideration I should express some opinion, I requested and received a copy of the memorandum, and the interview was over for the day.

On thinking the matter over again after my return to the embassy, I feel that, although the wording of the memorandum is not exact, at any event the practical questions are not particularly important, and the views of the secretary of state issue from a sincere wish to settle the Yap question as quickly as possible. Under the circumstances, I think it is advisable not to continue an argument on minute points, but to give our prompt assent to all the foregoing views and thus formally to settle this question. I request urgent instructions.

Washington-Tokyo, No. 548.

August 22, 1921.

Referring to my cablegram No. 541, my proposal of June 18 merely gives the United States the same position as Japan and the other powers in regard to landing and operating cables. It does not extend to give countries other than the United States (including the Netherlands) the same position as Japan and the United States. The question whether the powers would receive equal rights with America through application of the most-favored-nation clause in commercial treaties would require especial

investigation, but at least the present proposed solution should not lead to argument that Yap has been changed to a sort of international administration for cable purposes.

This proposal was drafted particularly with the meaning of avoiding this argument. Whether the secretary of state was fully cognizant of this meaning is not clear, but he expressed no objection to the wording of the proposal, and expressed his thanks for the fair and liberal spirit towards America shown by the Japanese authorities. From this it may naturally be supposed that the former President's so-called international administration of Yap has been withdrawn.

I suppose that this has already struck your attention, but this by way of making sure.

Tokyo wanted Shidehara to get Hughes' signature to an explicit statement recognizing the mandate, but she objected strenuously to his changing the terms of the mandate as announced previously and warned him to avoid any phrasing which might reflect on the sovereignty of Japan.

Tokyo-Washington, No. 400.

September 2, 1921.

~~XXXXXXXXXX~~.

With regard to your cablegram No. 541, the Japanese government, with a sincere wish to promote Japanese-American friendship, concurs in your opinion that it is advisable to devise at once a speedy settlement of this question.

While accepting in the main the substance of the Hughes memorandum, it has been decided to devise means to cause America to abandon her objections to our mandate of the south sea islands. For the forms and details I think it important to have clearly understood the points noted in the following paragraphs. So, at the same time that you announce to the other side the fact of this decision, I desire that you enter into discussion of the forms and details. This has long

been a pending question between Japan and America and might even be the cause of trouble in the national friendship of the two countries. In consideration of this fact we desire through the above understanding to abolish the various points of dispute, and to leave open no possibility of future trouble and doubt. You will bear this in mind and do your utmost to arrive at a timely compromise.

1. The question of the allocation and operation of the Yap cables is primarily one to be settled by all the five powers, and for this reason we will accept the decision contained in article 9 of your cablegram No. 339 (Note. Ambassador's proposals of June 18).

2. An agreement shall be concluded between Japan and America which shall include terms relative to various rights and privileges to be possessed by America and her nationals for facilities for cable, wireless, and all other telegraphic communication in the island of Yap. (Part 2 of the Shidehara proposal, and Nos. 1 and 2 of the Hughes' memorandum).

3. The American government fully understands that the above agreement is conditional on America's having no objection to our mandate over all islands north of the equator formerly belonging to Germany: yet upon this point the Hughes' proposal is decidedly vague. It must be anticipated that some doubt may arise in case of a future change of authorities and therefore, to show that America confirms our mandate, it is felt that there should be an exchange of notes stating explicitly:

"America recognizes the fact that Japan has taken a mandate over all the former German possessions to the north of the equator, but the island of Yap holds a special position from the standpoint of international communication, and, in view of the fact that America likewise has an interest in this communication, Japan and America have made special arrangements for the rights and privileges of America and her nationals with respect to the business of telegraphic communication in this island."

It is felt that it would further clarify the situation if in these notes we should enumerate the various provisions of paragraph 2 above.

If conditions make it difficult for America to consent to this procedure, we need not necessarily insist on it, but you will take steps to see that in all events this point of American recognition of our mandate is made clear in an appropriate manner.

4. According to the Hughes' memorandum, it is supposed that the Americans will summarize the various points in 1 and 2 above, and make a five power treaty, and may make room for the inclusion of stipulations of various sorts on mandate regulations for the south sea islands. If they wish to regulate mandate terms for a second time through a five power treaty, or to make changes in fundamental principles, not only would this be counter to our claim up to this time that this is a fait accompli in so far as Japan, Great Britain, France, Italy and the League council are concerned, but after our mandate regulations have been announced to [Ed. Note. Possibly, the world] and have been officially published, it would be difficult for us to consent to having mandate terms made in this manner, and we therefore wish to avoid this form. (Note. Text extremely involved).

If the Americans will recognize our mandate over the whole south seas archipelago, the mandate regulations will naturally apply to the island of Yap as well. There will then be no necessity for various stipulations regarding mandate regulations.

Judging by a former American memorandum, the Americans, relative to Class B mandates, hold that, according to the constitution, the authority for questions of territory does not rest on the President alone. Similarly they may also hold that the recognition of regulations regarding Class C mandates requires ratification in treaty form by the senate. Please report your views in this respect.

5. (a) It is desired to limit the first point, paragraphs a to ^[1. to 6.] g of the Hughes' memorandum, to telegraphic business in Yap.

(b) Regarding the extradition of criminals in the last part of the Hughes' memorandum, we of course have no objection if it is meant to apply to this island the existing Japanese-American treaty on the extradition of

criminals. If, on the contrary, it means that those committing offenses in the island are to be given over to America for the latter to punish, then this would constitute a restriction of our rights in the island, and we could hardly agree thereto.

(c) Again, regarding the provisions for public charges, if the meaning is that public charges are not to be levied by Japanese authorities on property of America or her nationals which is connected with purposes of communication we have no special objection. But, if it is that in general in this island the property of America and her nationals cannot be levied on for public charges, we can hardly consent. If, again, the Americans will carry out the levying of public charges on property whose purpose is for the business of communication, we then of course will wish to get some means for levying public charges on property necessary to America.

The above (a) and (c) are questions that will rarely arise, but theoretically they constitute a restriction of Japanese sovereignty, and it is thought would only serve to irritate national pride. In practice we will afford every facility in matters of this sort, but we wish not to have them described in the final text of the agreement.

Before America would sign an agreement admitting Japan's mandate over Yap, she insisted on three things: a duplicate of Japan's report to the League, the extension of Japanese-American treaty rights to Yap, and the free admission of American citizens and shipping September 15. On September 8 Hughes reluctantly agreed to Japan's mandatory, provided those privileges of missionaries, extradition, expropriation, etc. were specified as extended to the United States as well as to the countries that signed the original agreement and implied that America might enter the League sometime. In order to avoid inserting a special provision that would permit extradition of criminals

in Yap, Shidehara suggested applying the general Japanese-American extradition treaty.

When Hughes questioned the feasibility of this, Shidehara went a step further and suggested applying all Japanese-American treaties to Yap, - this without ^{first} ~~that~~ consulting Tokyo.

Later Hughes was to insist on this and Tokyo was to refuse. It only prolonged negotiations and forced Japan to a concession she might not have had to make otherwise.

without Shidehara's prompting, Hughes might not have thought of it.

Washington-Tokyo, No. 593.

September 9, 1921.

On September 8, I had an interview with the secretary of state and presented to him the memorandum on the Yap question contained in telegram No. 594. The following interchange of views took place.

1. In regard to Article 2 of the memorandum, I said as follows:

(900)
"On the one hand, it is understood that the United States claims not to be bound by the assignment of mandatories and by the mandate regulations decided upon in the League council of December 17, 1920, but, on the other hand, since the representatives of Japan, Great Britain, France and Italy participated in this agreement and accorded unanimous approval, there is, as far as these four countries are concerned, no reason for reconsidering at this late date a matter which has already been settled. In order to try to reconcile these conflicting views, it is finally proposed to arrange a convention or agreement between the United States, which did not participate in the council, and Japan, which became a mandatory by the decision of the council. The only point at issue is to provide for the rights, privileges and exemptions to be enjoyed by the United States in Yap for purposes of electrical communication. Any attempt to reach an agreement among the five powers on this matter would mean a reconsideration of the agreement of the council and would in my opinion not only involve questions difficult of solution, but would result in no advantage to the United States.

Hughes replied that this was reasonable and that he would make a definite answer after giving the matter formal consideration.

2. In regard to ~~Article~~ Article 3 of the memorandum, when I asked whether, if Japan were to recognize the above rights, privileges and exemptions of the American government, there would be anything to prevent the recognition by the United States of the validity of Japan's mandate over Yap and the other former German islands north of the equator, Hughes said that there were still a number of points regarding which he hoped special revision would be made in the mandate regulations.

A. The guarantee stipulated under Article 5 ~~of the mandate~~ ^(tent) (See Article 5 in preamble of Yap treaty in Appendix XI.) of these regulations regarding "all missionaries who are nationals of the countries in the League" would not apply to missionaries from the United States, which had not entered the League. (In this connection the Secretary used the words "The United States might sometime enter the League, in which case these questions would not arise, but" etc, etc. These words must be interpreted as if the secretary himself expected that the United States would at some future time become a member of the League. Although it is not clear whether any special significance is to be attached to the above, his manner of speaking drew my attention.) A written statement to include American missionaries also in this guarantee must be drawn up.

B. Likewise, in regard to the phrase "in order that the missionaries may carry out their duties" etc, the American missionaries, besides their purely religious duties, have long been in the habit of engaging in educational enterprises. Therefore, it should be made clear whether the term "their duties" is confined to religious duties alone.

C. Since it is provided that the mandatory countries are to have full administrative and legislative powers over their mandate territories as constituent parts of the countries themselves and that they are to apply their own laws, if in those countries there are laws providing for discriminatory treatment between nationals and aliens or between aliens, those laws would also apply to the mandate territories. Therefore, although the former German islands north

of the equator are not thought to have any great commercial or industrial value and the United States accordingly has no practical interest in them, in view of the fact that the former German islands south of the equator are of some considerable importance both because of the extent of their territory and their commercial and industrial value, the United States would have to insist upon claiming equal treatment from the mandatory there. (The secretary added that this claim would also be very advantageous to Japan.) Accordingly, as a question of principle, he must be consistent in making the same claim for the islands north of the equator as well. He said that he hoped that on the above points, the wording of the mandate regulations would be supplemented.

I said that, although I did not think that the form in which such details were arranged was of any special significance to the Japanese government, I hoped that within a short time the views of the United States government would be drawn up in the form of a note. The secretary said that this was his intention and that a memorandum was now being drafted. I then inquired whether, if the above points were satisfactorily settled, there would be any objection to the Japanese mandate and Hughes replied that there would not.

3. I asked whether it was the idea of the American government that it would be necessary to incorporate the provisions in paragraphs 1 and 2 above in the form of a treaty or whether an agreement would be sufficient. Hughes replied that some time ago he had had that point investigated by a lawyer. According to the Versailles treaty, the territorial rights to the German overseas colonies had been given over to the five powers. The United States is one of the powers which succeeds to these rights. This was also specifically stated in the recent German-American treaty. In his opinion, another treaty would be necessary for the United States to relinquish its share in these rights or to recognize the mandate of any other country.

Moreover, I asked whether in the Japanese-American treaty on this subject, the method to be followed would be to quote the mandate regulations of the League council in the form that they were decided upon in the council, to stipulate that the United States accepted them with the understanding given above and then

to enumerate all the clauses of this understanding.

Hughes (Note. Apparent omission in text.).

I explained the substance of article 4 of the memorandum and said that the disposal of the former German cables was entirely distinct from the above-mentioned question of the provisions in regard to the Yap mandate and would necessitate a joint agreement among the five powers. Hughes replied that he realized that fact. I asked in this connection about the progress of the negotiations between the American, British, French and Italian governments regarding the disposal of the former German Atlantic cables, Hughes said that, as the matter was in charge of Fletcher, he himself was not familiar in detail with the status of the negotiations and had not heard that any progress had been made.

5. In regard to Article 5 of the memorandum, I explained that as the Japanese-American treaty for the extradition of criminals would also apply to Japanese mandate territory, it would not be necessary to make special provisions for the extradition of criminals in the new treaty or agreement. Hughes said that there was some question as to whether or not the Japanese-American extradition treaty would apply to that territory and that it at least would be necessary to specify explicitly that it did apply. I asked why emphasis should be put upon the extradition treaty alone and why it would not be proper to draw up a provision stating summarily that all the Japanese-American treaties were to be applied to the Japanese mandate territory. Hughes replied that he thought this was extremely reasonable, but that he would consider the matter further.

I inquired what the idea of the United States was in the matter of expropriation.

Hughes explained that, in case land was required for carrying on the business of electrical communication, as indicated in the last part of Article 6 of the memorandum, if the owners would not agree to sell that land, although the Japanese government authorities should exert their good offices, the land required could not be purchased except by virtue of some treaty or law.

I said that by expropriation each country meant levying property for the public welfare of that country and that levying property for the benefit of a foreign country might be interpreted as contrary to our own laws. Therefore, as

the matter was an urgent one and would involve difficult legal questions, I said that I hoped that the question of expropriation would be omitted in the treaty or agreement.

Hughes said that as he was convinced that the Japanese government would make every effort to facilitate to the United States the land necessary for the electrical communication operations and that the purposes of both ~~Governments~~ were substantially identical, he personally was perfectly satisfied, but that, if there were no guarantee in the nature of a treaty, he feared that difficult questions would arise.

We did not come to an agreement upon this point, but, since in any case the question was not important, decision was postponed until a later date.

Hughes was quick to incorporate Shidehara's suggestion in a fresh proposal he had ready for the ambassador when he called a week later. Moreover, the secretary wished to begin drafting a treaty at once to get the matter out of the way before the opening of the conference.

Washington-Tokyo, No. 609.

September 16, 1921

I had an interview with the ~~Secretary of State~~ on September 15.

First he read me the memorandum on the Yap question, which is given in my accompanying cablegram No. 610.

To this I said that in D of heading 6, there was a proposal to make a provision in the new treaty whereby the various Japanese-American treaties should be applicable to mandate territories. I asked whether, in case the Japanese government agreed to this, the special ~~provision~~ for making the treaty on the extradition of criminals, in heading 5, applicable to Yap, would then no longer need to be added.

Hughes agreed with me, saying there would be no need ~~to~~ make this provision twice.

Furthermore, regarding the question of expropriation, the secretary said

that to sum up what was said at a previous exchange of views, it might come about that in spite of the sincerely kind offices of the Japanese authorities, the right acquired by America to establish telegraphic communication might in practice prove difficult to exercise in the event^f that the American telegraphic communication authorities were unable to proceed with the purchase of land necessary to their purposes. Therefore, to guard against this contingency, he hoped the Japanese government would agree to the provision.

Finally, regarding the Yap mandate and the disposition of the cables formerly belonging to Germany, he said that, seeing the views of Japan and America were most evidently getting closer to each other, if his recent memorandum was so fortunate as to receive the approval of the Japanese government, the drafting of the treaty proposal would be started immediately.

I asked whether in that case he did not think it would require plenipotentiary credentials to conclude such a treaty.

Hughes said that following the precedent of treaties in general, he hoped for an exchange of plenipotentiary credentials, but, to save the necessity of sending by mail, there was the expedient of presenting the credentials by cable. (This expedient would seem to have been employed in the recent German-American treaty).

I stated that, if the Japanese government sent me orders that it wished to have this treaty signed and sealed, perhaps Tokyo would hand my credentials to the American ambassador at Tokyo, and this would serve as a substitute for formal credentials.

Hughes replied that this would be a very simple method.

On returning to the embassy, I examined the memorandum carefully. It accepts in substance the proposals contained in my memorandum of September 8, excepting this:

1. The former arguments as to the right of expropriation for purposes of telegraphic communication in Yap are maintained; but this is not thought to constitute an important question whichever way it is taken. Logically even, it seems insufficient reason to advance objections to the claims of the American

government.

2. Regarding the former German islands north of the equator, this matter is substantially covered in heading 6, ~~A~~ to ~~E~~, of the recent memorandum. Therefore, on the premise that America has already recognized Japan as holding a mandate through the decision of the allied council, it cannot be termed unreasonable to have a treaty with America, a country which is not one of the mandate countries nor on the League council, and to frame a provision regarding Japanese mandates.

It is my opinion that with affairs in their present state, there is no hope of a settlement of the Yap question beyond the above, and, if this question is wiped off the slate at once, the good effect on the general situation will not be small. I therefore earnestly hope that the Japanese government will give its entire assent.

Tokyo preferred a convention to a treaty, but was ready to assent to the latter should that form be required by America under her laws.

Tokyo-Washington, No. 432.

September 17, 1921.

Referring to your cablegram No. 593, - from the generally satisfactory understanding that has beenⁿ attained regarding the various points brought up by Hughes on this question, it is clear that the Americans have no objection to the Japanese mandate over the entire group of islands north of the equator formerly owned by Germany, inclusive of the island of Yap. Therefore our desire is to achieve agreement as soon as possible on the forms and details of the above understanding and to devise a final settlement^{ment} of the matter. Please, in your negotiations with America, bear in mind anew the various points noted below, and exert yourself to the utmost.

1. As to America's wishes concerning missionaries, in A and B of article 2, there is no objection to extending to American missionaries the guarantee pertaining to missionaries of countries in the league, and to settling that the wording "this guarantee" shall not be limited to missionaries of countries in the league.

to apply to educational work.

However, for this purpose, it would, at the same time, be necessary
to the preservation of public peace and prosperity that the mandatory
countries define clearly their right, in this interpretation, to exercise
needful supervision, - as is stipulated in 3 of ^{VIII} article 6 of the East
African mandate draft, referred to in the American memorandum in connection
with provisions of A and B class mandates. ^(Flut) ~~Wrong reference,~~
there are only seven articles of the typical Class C mandate. Article ^(Flut) VIII
of the British mandate for Togoland, Class B, has only one part and reads
-- "The mandatory shall apply to the territory any general international
conventions applicable to its contiguous territory." Possibly the last
clause of Article ^{VI} is referred to, for in the reply, see No. 629 below,
mention is made of this clause which reads as follows for the same Togoland
mandate -- The rights conferred by this article extend equally to companies
and associations organized in accordance with the law of any of the members
of the League of Nations, subject only to the requirements of public order,
and on condition of compliance with local law. ^(Flut)

2. Regarding the point in §, article 2, of your memorandum, that re-
cognition must be given to the principle of equal trade opportunity in
relation to the islands north of the equator formerly belonging to Germany,
the Japanese government has no objection to this in principle, but the
government desires to make this conditional on the other Class C mandatory
countries recognizing this principle in relation to their own mandate
territories.

Regarding the question of the application of the principle of equal
opportunity to the territory of the above Class C mandates, it would be
unpleasant for the Japanese government to take the initiative at this
time in breaking an understanding, which was reached after protracted
discussions carried on by the Japanese government with the British govern-
ment, and which was proclaimed by the Japanese government on the occasion
of the decision on mandate provisions finally made in the League council

of December 17, 1920. America should be made to consult with Great Britain to rectify this point.

3. Regarding the point of form in article 3 of your cablegram, - from the Japanese government's standpoint it is desirable to use the form of an exchange of notes, or a convention, but, if it is absolutely necessary for America under her laws to use treaty form, there is no objection to agreeing to it as a final compromise.

But America did not have a hand in the Versailles treaty, nor is she a member of the League of Nations, and on this account the decision of the League council regarding mandate provisions has nothing to do with her. In this connection, it is desired to take the form of concluding a treaty between Japan and America on identical points and of such scope as not to conflict with the above decision. If, as you recommend, all the administrative provisions as determined by the League council are to be adopted, we think it right, as far as possible, in order to avoid the appearance of concluding another treaty on these administrative provisions, to insert the whole of the mandate provisions, then state that regarding the application of these provisions an understanding (the items of which follow) is being reached between Japan and America as to rights and special privileges held by America or Americans, and then list the items of the understanding.

4. Regarding the point concerning criminals in article 5 of your cablegram, there is no objection to stating clearly that the Japanese-American treaty on extradition of criminals is applicable within the scope of the Japanese mandate, but, as for adding the general provision that all Japanese-American treaties shall be applicable within the Japanese mandate territory, there is a difference in the living conditions of the islanders and people in Japan proper. Consequently their interests under the treaties will be looked into, and terms for application to the mandate territory will be decided.

5. Regarding the point of expropriation in article 6 of your cablegram, it is as you think: in other words, the incorporation into a treaty ~~or~~ agreement of terms, as sought by America, for the right of expropriation, is very difficult from the point of Japanese law.

Therefore we wish to do no more than give a pledge that we expect to give satisfaction to the American demand only in so far as is needful for telegraphic communication enterprises.

6. In Article 9 of my cablegram No. 215, it was specified: "The ~~Nive~~ ~~Great~~ ~~Rovers~~ shall use their joint efforts to secure the consent of Holland, China, and the Great Northern Telegraph company to all the foregoing provisions, which are conditioned on securing the consent of each of them".

This was a result of the decision that trouble might arise in the operation of our cables, if, when we attained a settlement with America on the disposition and operation of the cables in question, an understanding were not ~~also~~ established with Holland, China and the Great Northern Telegraph company.

Needless to say, it is desired to make it clear that this is the same thing stated in article 9 of your proposals of June 18, to avoid possible *(of course)* misunderstanding later on.

Tokyo objected to specifying expropriation rights in the treaty, but she was *(possible Chaplin book)* willing to promise verbally every cooperation. Nor did she wish to apply all the treaty rights to Yap. Shidehara, however, seemed to think there were more advantages in making the mandates an integral part of the Japanese Empire through extending the treaty rights than there were disadvantages.

Washington-Tokyo, No. 629.

September 23, 1921.

I had an interview with the secretary of state on September 22, and saying first that although I had not yet received the Japanese government's

views in reply to the secretary of state's memorandum of the fifteenth, for my personal information I wished to make sure of the meaning of two points in the memorandum, I thereupon stated the contents of my accompanying cablegram No. 630.

As to point 1, or the right of supervision over missionaries, Hughes said explicitly there was no objection to making the provision as in the last clause of article 6 of the East African mandate provisions, which was in accordance with my interpretation.

To point 2, or limiting the loading and unloading of merchandise to vessels engaged in foreign trade, he replied that, although it had not yet occurred to him that this should be done, my interpretation was only reasonable and right.

According to your cablegram No. 432:

1. We are to avoid expressly stating that the law of expropriation will be applied to Yap, and merely limit ourselves to giving a pledge that the Japanese authorities will devise facilities for the supply of what is necessary to the business of American telegraphic communications.

However, we lay ourselves open to the charge of insincerity if we give this pledge without sufficient means for carrying it into effect, and, if by chance the owners hold out to the last and refuse to sell, our authorities, in order faithfully to carry out this pledge, would finally have no other recourse than to bring extra-legal pressure on the holders.

In short, I think the American government's claims on this point, logically speaking at least, constitute a weighty argument against such a course. I hope therefore that positive agreement will be made to its claims.

2. Whereas you state that in the question of whether or not Japanese-American treaties are applicable to mandate territories, each individual treaty must come under consideration, - it is a just fundamental principle that, as these territories form a constituent part of the Japanese empire, treaties are applied under one and the same law.

Also, I have previously examined existing Japanese-American treaties, but

have found no provisions that cannot be applied within mandate limits.

Not only will it hinder our steps in the direction of establishing close relations between Japan and her mandated territories to provide explicitly that application will be limited only to the treaty of extradition of criminals, but the distinct understanding now existing that treaties in force between Japan and America, particularly trade treaties, are applicable within this mandated territory will afford us basis for refusal in case America later claims special treatment, not guaranteed under these treaties, on the ground that mandated territories have a special international status.

Therefore I believe it expedient to consent in this also, to the claims of the American government.

At the present time when the date of the conference is so close at hand, it will be helpful to the whole situation if the Yap question is solved as soon as possible. Further delay might bring on trouble from the American senate or from foreign quarters, a result not desired.

Therefore I request immediate instructions regarding my cablegram No. 619 and this cablegram.

(Spare)

Tokyo was unmoved. She disapproved because she feared that the granting of

Japanese-American treaty rights would result in inequality due to the most-favored-nation clauses, thus allowing all nations free access to Yap, while she herself would be barred from similar privileges in other Class C mandates. Moreover, she objected to making an annual report to the United States, and rightly. After all, who was the United States to refuse to accept the responsibilities of the League yet to demand not only all the privileges of the League, but also the right to keep her nose in the League business for purely critical purposes, especially considering the fact that an American was to be invited to serve on the committee ^{which} ~~she~~ would review the reports of all

the mandates?

Tokyo-Washington, No. 464.

September 30, 1921.

Referring to your cablegram Nos. 609 and 593, we had thought that, as a result of your interview with Hughes, the American claims in the Yap question had substantially come close to the views of the Japanese, and in this belief and with the hope that we might as quickly as possible reach a satisfactory solution of the question, we hastily sent our cablegram No. 432 giving the views of the Japanese government on the points enumerated in the above-mentioned cablegram No. 593. Hughes' memorandum given in your cablegram No. 610, however, includes new demands which are entirely different from the basis of the solution in the preceding negotiations, and it is therefore not yet possible for the Japanese government immediately to give its assent to the whole Hughes' memorandum. Under these circumstances you will renew the negotiations after noting the following points and will make every effort for a solution.

1. There is no objection to inserting in the convention a special provision in accordance with clause "5" of the Hughes' memorandum that the Japanese-American extradition treaty shall apply to the Island of Yap, nor is there any objection to a provision promising that, in case the Americans cannot otherwise obtain the needed property and facilities for the purpose of electrical communication in the island, the Japanese government shall use its power of expropriation to satisfy the American needs. It is desired, however, to arrange to have also a provision that, whenever it is necessary for the Americans to acquire such property, its location and extent shall be determined by an agreement between America and Japan.

2. Among the American demands concerning mandated islands other than Yap, there is no objection to (a) and (b) of clause "6" of the Hughes' memorandum, but (d) and (e) are not only new demands, which it was entirely impossible to foresee from the preceding course of the negotiations, but, as explained below,

they are such that in the nature of the case Japan cannot decide them independently. In regard to these two points, therefore, you will seriously ask the support of the Americans, in view of the good faith in which the Japanese government has hitherto made every possible concession, to secure a quick and satisfactory solution, and you will make every effort to secure a modification of their demands and to remove the impediment to a solution of this question.

A. In regard to (d), the question of the application of Japanese-American treaties, we have noted your recommendations in your cablegram No. 629, but, in case all Japanese-American treaties are to apply to our mandated territories, the countries having most-favored-nation stipulations with Japan will have recourse to them, and all treaties between Japan and other countries will apply to the mandated territories. This would result in the end in the application of the principle of equality of commercial opportunity to these territories. Japan of course not only has no objection to this in principle, but on the contrary it wishes the principle of equal opportunity to be carried out equally in all other mandated territories, and it has for a long time past strongly advocated this, but Great Britain and the other powers would not accept it. and finally, at the time of the determination of mandate terms by the Council of the League of Nations on December 17, 1920, the declaration of the Japanese government was added as a paragraph.

According to the Class C mandate terms then adopted, no obligation to recognize the principle of equality of commercial opportunity is necessarily imposed on the ^tmandatory countries. The American aspirations concerning this point are a question not merely of Japan but of all Class C mandatory countries, therefore, as was suggested in an earlier cablegram, unless all the Class C mandatory countries shall make all treaties applicable to their mandated territories, the Japanese government alone cannot consent to it. On the same principle, with regard to the right of access of American citizens and of American ships, unless all "C" class mandatory countries recognize the free right of access of all nationals and of all ships, Japan alone is in the position of not being

The decision of questions like this, however, will require not a little time, and it would be very regrettable to delay the settlement of the whole matter on account of them. It is therefore desired to make our position thoroughly understood by the United States and to leave these questions for negotiation among the interested countries at a later date.

B. In regard to the point in (e) that it is desired to quote the mandate terms in the Japanese-American convention on this matter, and that the terms of the mandate, which are recited in the convention and of which the United States is to have the benefit, shall not be modified without the consent of the United States, it is thought that whether or not the terms of the mandate are quoted in the convention, as long as they are substantially part of the convention, any modification of them will require the consent of the other party under the generally recognized principles of treaty obligations under international law, and it will not be necessary to have a special provision for this in the convention.

C. Concerning the last sentence under (e), the matter of the annual administrative reports, the presentation of annual reports to the Council of the League of Nations and the mandate system are premised on the existence of the League of Nations. The League of Nations established standard terms for the administration of mandates, and a representative of the mandatory power participates in the standing committee which examines the reports. Thus there is no conflict with the sovereignty of the individual country, but the Americans would ~~produce~~ produce a very undesirable question of dignity.

The League assembly and the League council have established a standing committee to receive and examine the annual reports and to report on all matters concerning the carrying out of mandates. In this committee there are, in addition to four nationals of mandatory countries, five members who are nationals of non-mandatory countries. It was decided to appoint one American member of this committee. This opens a sufficient opportunity for America to express its opinions on the affairs of the Japanese mandates.

At any event, this matter is also of concern to the other mandatory countries, and it is desired to leave it for negotiation among the interested powers at a later date.

3. In the further negotiations, you will note the following points.

A. Clause, #3 of the Hughes' memorandum reads: "With respect to the other islands or former German possessions in the Pacific lying north of the equator, comment is made below in clause 6." Clause 6 describes the cases in which it will be necessary to reach an agreement for modifications of and additions to the mandate terms before the United States will recognize the Japanese mandate "for these islands".

This is worded as if a special convention would be concluded merely so far as is necessary for the necessities of electrical communication in the island of Yap without touching on the question of the mandate over that island, and the American government would on certain conditions recognize the Japanese mandate only over "the other islands". It is feared that this might be interpreted in this way. This would not be the intention of the American government, but it is desired to remove all doubt about this point which might become the ground of future dispute. You will therefore arrange when the Convention is drafted that there shall be inserted a clear provision that there is no objection to recognizing the Japanese mandate over all the former German islands North of the Equator, including the island of Yap.

B. Section (c) of Clause 6 says that the United States does not insist on the insertion in the convention of a prohibition of monopolies of natural resources in the Japanese mandated territories in view of the small practical importance of the question in those territories. In case, however, such a provision should be contemplated, you will arrange that it shall not be touched on in this convention, as it is a question inherently concerning also the other mandatory countries and should be left to future negotiations among the interested powers.

4. You will ask Hughes what is the meaning of "vested American treaty rights" in the first sentence under (e) of clause 6 of the Hughes' memorandum.

To this Shidehara replied post-haste meeting all objections to his own satisfaction.

Washington-Tokyo, No. 660.

September 30, 1921.

As a result of mature consideration of your instructions in your cablegram No. 464, I request further advice as to your views on the following points.

1. Under "A" of heading No. 2 of that cablegram you say that, in case all Japanese-American treaties are to apply to our mandated territories, the countries having most-favored-nation stipulations with Japan will have recourse to them, and all treaties between Japan and other countries will apply to the mandated territories, which would result in the end in the application of the principle of equality of commercial opportunity to these territories. In my mind this is not a natural deduction.

A. The proposed new Japanese-American treaty will be valid only between Japan and America. No guarantee will be given to any other nation. Because the new treaty will make Japanese-American treaties apply to our mandated territories is no reason for other countries to claim that their treaties apply also to those territories. Thus, in case Great Britain wishes to participate in the advantages of the new Japanese-American treaty, it will require a special separate agreement between Japan and Great Britain. In case Great Britain should propose this, it would be proper for us to accept the proposal on condition that we should participate equally in any advantages given America by any agreements which Great Britain may later make with America concerning the mandated territories of Great Britain or of the British self-governing dominions. On the other hand, it is clear that America will claim the application of the principle of equality of commercial opportunity in the former German islands south of the equator. If, therefore, Great Britain should make us the proposal described above, we should get an opportunity without breach of good faith towards Great Britain to carry through

our original claim concerning the application of the principle of equality of commercial opportunity to the Class C mandated territories.

B. In the last part of paragraph 5 of Article ~~XXII~~^{XXII} of the covenant of the League of Nations is a provision that there shall be equality of opportunity between the mandatory country and the other allied countries in the mandated territories, but the most-favored-nation clause in the Japanese-American treaty of commerce applies within the territories of the interested powers, but does not guarantee that there shall be equality of opportunity between that country and other interested powers, and therefore, even if the treaty of commerce applies to the mandated territories, it will not have the result of approving the principle of the above-mentioned provision of the League covenant. (Flint)

~~Paragraph~~ (1 Flint) Paragraph 5 of Article XXII reads -- "Other peoples, especially those of central Africa, are at such a stage that the mandatory must be responsible for the administration of the territory under conditions which will guarantee freedom of conscience and religion, subject only to the maintenance of public order and morals, the prohibition of abuses such as the slave trade, the arms traffic and the liquor traffic, and the prevention of the establishment of fortifications or military and naval bases and of military training of the natives for other than police purposes and the defence of the territory, and will also secure equal opportunities for the trade and commerce of other members of the League.")

C. We may leave aside for the moment the question of whether or not the provisions of Californian legislation such as the rights of land-ownership, leasing, etc. conflict with the treaty of commerce. If America takes the interpretation that there is no inconsistency between the two, there will be no reason for us to receive any complaint from the United States if the same discriminatory treatment, as under the California legislation, is given to Americans in the former German islands north of the equator to which the same treaty of commerce is to be applied. If, on the other hand, the Americans recognize that there is a conflict between the legislation and the treaty, it

will have an indirect effect in somewhat softening the anti-Japanese legislation.

From the foregoing reasons, even if the Japanese-American treaties are applied to our mandated territories, they will not produce the results about which you are anxious. I hope that, after you have considered the foregoing arguments, you will give your consent in this matter.

2. Referring to "B" of heading No. 2 of your cablegram, the proposal to quote the provisions of the resolution of the League council in the Japanese-American treaty, followed by a statement that the United States approves them on the following understanding, and by an enumeration of the circumstances concerning which Japan and America make special agreements, was my own suggestion. The reason for adopting this form was that, in case of a change in the terms of the resolution of the League council, the conditions for the American consent would be lost and there would at least be some doubt as to the validity of the provisions of the treaty. It was therefore desired to make it clear that, even in case the terms of the resolution of the League council were changed, unless the United States had announced their acceptance of the new terms of the resolution, the old terms of the resolution would remain in force between Japan and the United States. I think that there is considerable ground for the claim that such a provision as proposed by the United States is necessary for the United States.

3. Whether or not the United States enters the League of Nations, as one of the principal allied powers which contributed to winning the war, there is no reason for it to be put in a position of disadvantage as compared to the other allied and associated powers. This and the claim to a share in determining the fate of the territorial rights transferred by Germany to the five powers are now at the bottom of American foreign policy, and there is no room for doubt that this claim will be insisted on towards any country whatever.

Now the matter of the annual reports which is treated under No. 2 of your cablegram has a bearing on this fundamental American claim. An attempt

to secure the abandonment of this right will merely be a recurrence to this fundamental principle and a repetition of the discussion of the identical argument which has come up so many times before. If the Japanese government attaches importance to this point, I am sorry to say that I am sure that there is no prospect of an agreement on this matter. I hope, however, that the Japanese government wishes only to avoid the appearance of Japan having an obligation to report directly to the United States. If you feel that there is no objection to arranging that the United States be given a copy of the report submitted to the League council, there will be room to reopen negotiations with this policy. If it could not be avoided, we might insert a proviso^o making the report conditional on the other mandatory powers recognizing the same obligation with regard to reports concerning their mandated territories, or a final device would be to propose a supplementary exchange of notes.

September 24 there was a report that Japan would consult the League of Nations over the demand of the United States for equal rights in Yap. China began to worry over the effect the Japanese-American agreement would have on her. She fretted whether or not it would violate her sovereignty, said that no cable could land in Shanghai without her consent and sent notes to that effect to all the legations at Peking.

She was assured October 1 that there was no menace to her rights, for landing rights had not been discussed. It was announced a few days later that the Yap-Guam cable would be used for the Armament conference.

Referring to my cablegram No. 644, and the matter of the temporary use of the Yap-Guam cable, consent was expressed by the American Government on September 28, according to the terms set forth in accompanying cablegram No. 649.

Unfortunately the proposition for the use of the cables is missing. From the succeeding messages we gather that one provision had to do with the temporary connection of the Guam and Menado cables for direct use of the Americans and Dutch without the supervision of the Japanese.

Tokyo-Washington, No. 485.

October 1, 1921.

Washington-London, No. 375.

October 5, 1921.

~~Washington-Tokyo, No. 671~~

~~October 6, 1921.~~

Referring to your cablegram No. 648, in the terms presented by America, clause 7 is a question unrelated to the emergency measures of the Washington conference, and therefore it is desired to bring the matter to settlement by dropping this and accepting the rest. Please make America a proposal to this effect.

If it happens that America insists on retaining clause 7, we have no special objection if it means that the Yap-Guam and the Yap-Menado cables are to be connected for a limited time only, by means of a switch. But if the meaning is that the Americans and Dutch will operate the Yap line jointly with the Japanese, we wish to withhold our consent since the matter ^{will} have to be considered further.

Washington-Tokyo, No. 671

October 6, 1921

Referring to your cablegram No. 485, I had an interview with the secretary of state on October 6, and proposed dropping clause 7 of the Secretary's memo-

orandum which is given in my cablegram No. 649.

1. The Secretary claimed that the use of this Yap-Menado line was not contemplated at present, but, should the necessity arise for the use of this cable, the American government laid special emphasis on the devising of a means of communication between Guam and Menado which would not be subject to the jurisdiction of any country except that of America and Holland.

2. He said that, in case this clause 7 were eliminated, he did not know but that some such general impression would be given as that Japan was satisfied with the provisional use of the Yap-Guam cable, and that the question of the disposition of the former German cables was postponed.

I thereupon explained that regarding point 1, the use of the Yap-Guam cable constituted a separate question and there was no need to make provision for it in the present day agreement. As for point 2, there was no reason to suppose that for the sake of agreeing on this matter, Japan would postpone settlement of the question of the disposition of the former German cables.

In the end the secretary of state said that with a definite understanding he would consent to the elimination of clause 7. This understanding is given in my accompanying cablegram No. 672, which, immediately upon my return to the embassy, was sent to me in the form of a memorandum.

I believe there is no hope of getting the American government to make any further concessions.

Please return me instructions in order that I may make a definite answer to the secretary of state.

Tokyo-Peking, No. 503.

October 1, 1921.

Tokyo-Washington, No. 497.

October 1, 1921.

Washington-London, No. 382

October 9, 1921.

In regard to your cablegram No. 647 (¹note. Peking-Tokyo No. 647 is the Chinese protest against the validity of any disposition made of the

Yap-Shanghai cable),

1. The second Chinese claim is that the Yap-Shanghai cable is within Chinese sovereignty and that a decision concerning it requires the consent of China. Germany, however, in the peace treaty in the name of itself and its citizens renounced in favor of the principal allied and associated powers all rights, jurisdiction and privileges concerning the Yap-Shanghai cable. Only the five great powers therefore have the decision concerning the disposition and operation of the cable, and no further consent from China is necessary.

2. The first Chinese claim is that, as China had cancelled the landing-right of the cable, no country could succeed to it. This landing-right depends on the contract of April 6, 1921 between the Chinese government and the German-Netherlands Cable company. From the nature of this contract it did not naturally lose its validity by the outbreak of war. It also had a clause providing that the contract could not be abrogated by denunciation by one of the parties prior to October 31, 1921. On the other hand, the principal allied and associated powers have succeeded to all the rights, jurisdiction and privileges of Germany in the cable.

The question of whether they have succeeded to the right of landing ^{at} Shanghai is a question to be determined in accordance with the provisions of the contract between China and the German-Netherlands company and by the treaty of peace with Germany. Whatever may be its legal interpretation, however, unless a satisfactory understanding with China is secured, there will be future practical operating inconveniences. The following provisions were therefore put in the proposed settlement of the disposition of the cables.

A. America shall own and operate the Yap-Guam cable; the Netherlands, the Yap-Menado cable; and Japan, the Yap-Shanghai cable respectively.

B. The five great powers shall work together to secure the consent of China and of the Great Northern Telegraph company with regard to landing

According to this, after the five great powers had agreed among themselves on their views, they would negotiate jointly with the Chinese government, but it is not yet time to show this provision to the Chinese. If anything further is said on this matter by the Chinese, you will merely reply that you have transmitted it to your government.

Nevertheless after further consideration Tokyo repeated her refusal to grant Shidehara's wishes, for she asserted that the question of the extension of Japanese-American treaty rights was one concerning all five powers, as were the questions on modification of mandate terms and a copy of the League report.

Tokyo-Washington, No. 504.

October 12, 1921.

We have noted the views which you express in your cablegram No. 660, and we regret that, through some defect in the wording of our cablegram No. 464, our meaning was not entirely clear. We shall therefore repeat the views of the Japanese government on the points raised in your cablegram.

1. In case the Japanese government should apply the existing Japanese-American treaties, ~~and~~ especially the treaty of commerce, in its mandated territories, there may be room for discussion as to whether it would naturally follow that Japan's treaties with other countries would also apply to the mandated territories, but, as Japan has hitherto recognized the scope of the application of its treaties of commerce and navigation to the territories of Korea, Formosa, Chientao, etc., it will be extremely difficult to recognize the application of American treaties to the new mandated territories without also recognizing the same thing for other countries. Although the new Japanese-American treaty is no different from a special treaty, the inclusion in it of provisions for the application of the treaty of commerce and navigation would hardly escape the same result.

The freedom of commerce and other rights which would be enjoyed by Americans in the mandated territories, except for the special arrangement for a special matter, are substantially the same as those now enjoyed by Americans within Japanese territory, and in practice it would be hard to refuse to the British, the French, etc., what they would consider to be equal treatment to the same degree. It follows from the foregoing that it would be necessary for us, without compensation, unconditionally and without waiting for any special agreements, to let the nationals of countries which have most-favored-nation treaties with us participate equally in the guarantee of the rights and privileges which Americans would enjoy in these territories.

In short, we are afraid that the natural result of the application of the Japanese-American treaty of commerce to the Japanese mandated territories by this new demand of the Americans without correlating the demand for "free access" with a specific declaration of its application to other Class C mandates would be that the so-called principle of equality of commercial opportunity would in fact be enforced solely with regard to the Japanese mandated territories. On the other hand we cannot venture to assume that Great Britain will later recognize in favor of America, etc., the principle of equality of commercial opportunity as applicable to the south sea islands south of the equator. On the contrary, Great Britain is in a position to refuse this on the ground of the compromise with Japan made in the League council last December. In that case Japan could maintain that Great Britain alone should be excluded from the application of the principle of equality of commercial opportunity in our mandated territories, but Great Britain would feel no inconvenience from this, and if it came to this point, it would become harder and harder to carry through the claim which Japan has hitherto made for the application of the principle of equality of commercial opportunity to the south sea islands south of the equator.

Although the Japanese government naturally has no objection to the application of the principle of equality of commercial opportunity to our

mandated territories, at the same time it does attach the greatest importance to seeing the principle applied to our Class C mandated territories. Unless, therefore, it is understood that this principle, which the United States desires, shall apply to all mandated territories of the Class C, the Japanese government is not at present in the position of being able alone to accept it.

Be this question of order of procedure as it may, as a practical question this is a matter having an important bearing on other questions of Class C mandates, and, although the Japanese government has no objection in principle to the American demands, unless America consents to the addition of this stipulation, it is desired to leave this question for future negotiation among the interested powers, as a question of concern to the five great powers.

2. Regarding your heading No. 2, it was said in our former cablegram that, whether or not the mandate terms are quoted in the Japanese-American treaty, as long as they are at least substantially part of the treaty, any modification of them will require the consent of the other party. If the Americans are concerned about this point, there will be no objection to having a provision that, even in case of a modification of the mandate terms, no effect will be produced on the validity of the Japanese-American treaty unless the United States shall have consented to the modification.

If, however, from the acceptance of these provisions in accordance with the American demands, it is to be understood that any amendment of the C Class mandate terms requires the consent of America in the way described in the last section of the American memorandum on the proposed Class A and B mandate terms, the decision of these mandate terms is within the competence of the League council, and is therefore not a matter of such nature that the Japanese government can decide it independently. In view of this and of the fact that the League council has not yet reached any decision regarding the American demands in the above-mentioned memorandum on the

propos^{ed}~~ed~~ Class A and B mandate terms, it is desired to leave this question also to future negotiation among the powers concerned.

3. Regarding section No. 3 of your cablegram, there is no doubt that, as you say, the Americans will persist in their fundamental claim in the matter of the annual reports. The Japanese government, however, is endeavoring to find a method of solution which will clear away all its disputes on this matter with the American government, not because it has theoretically approved the fundamental American claim, but because it has had a thorough spirit of compromise and friendliness. In this matter of the annual reports also, the Japanese government feels perfect sympathy with the American wishes, but this is not a question of a nature to be decided by Japan alone, but is a question for all the mandatory powers, and therefore it is desired with this, ^{as}~~as~~ with the preceding matters, to leave it to future negotiation among the interested powers.

To summarize this, all these three points covered by the cablegram of ~~all~~ the Japanese government really are of concern to all the great powers, and there is no reason for Japan to decide them independently. In view of this, we merely wish to leave them to future negotiation among the interested powers. This does not have the meaning of a refusal of the wishes of America. You will thoroughly understand this, and will negotiate with the American authorities in the spirit of this cablegram.

You will say first that to secure a solution of this question, Japan has accepted practically all the demands of the United States so far as they concerned matters of a nature capable of being decided by Japan independently, but the American wishes in regard to the three questions discussed above are of a nature which must be left to negotiations among the five great powers. You will bring up all the concessions which Japan has made to secure a settlement of this matter, and will say that, if the United States persists in its opposition to the views of the Japanese government in these three points, they must inevitably be left to discussion in the coming

Washington conference. It will then be our purpose to state the fair attitude which has been taken by Japan, to enumerate without reserve the Japanese claims on these points, and to leave the solution to negotiations among the five great powers.

Shidehara did his best to bring the United States to Japan's angle of viewing the matter, but Hughes persisted in holding out for the extension of treaty rights, though he did accede to the Tokyo wishes as to modification of mandate terms. Since this was his suggestion in the first place, it must be chalked up as one of Shidehara's few tactical errors.

Washington-Tokyo, No. 692.

October 18, 1921,

(double space)
I had an interview with the secretary of state on October 17 and explained the contentions of the Japanese government given in your cablegram Nos. 464 ^m and _A 504.

1. The secretary at once assented to our point that in case of *the right of expropriation in the interest* the exercise of ^A of American electrical communication at Yap, the location and area of the land to be expropriated shall each time be agreed between the two governments.

2. When we turned to the contention that, if all Japanese-American treaties are made applicable to our mandated territories, it would be practically necessary to recognize the equality of opportunity of all the powers, and that therefore Japan alone could not recognize this for its mandated territories except on condition that the same principle be applied to all Class C mandated territories, the secretary strongly opposed this and we discussed the matter for practically two

hours without finally coming to an agreement of opinion.

Following is a summary of the secretary's argument.

A. There were important points in which the Japanese-American treaty of commerce by no means guaranteed equality|of opportunity between the two countries. Thus there were provisions regarding freedom of entry, but this would not be interpreted to mean that the nationals of one contracting power have the same rights as the nationals of the second contracting power within the territories of the latter.

B. Even if Japan should grant America certain rights under the new treaty, there was no reason why it should recognize the same rights for a third power. Thus, if Great Britain should wish to share in these rights, it would be natural for Japan to demand first the same rights in the mandated territories of Great Britain or of the British self-governing dominions south of the equator.

C. Among the five great powers, all but the United States had secured some territorial advantage as a result of the victory in the war. America had not demanded a scrap of territory, but merely demanded that it should not be put in a more disadvantageous position than the other powers with regard to commercial rights. He hoped that consideration would always be given to this point.

D. If Japan had annexed the former German islands north of the equator, it would recognize that all Japanese-American treaties naturally applied to them. There was no reason to interpret a mandate as giving the mandatory greater rights or wider liberties than it would have in case of territorial annexation. If Japan should hesitate to apply to the United States with regard to these mandated territories, even the guarantees of the Japanese-American treaty of commerce, he would have difficulty in understanding it.

E. There was no difference between the claims America was making of Great Britain and of Japan. Of course, negotiations had not yet

been opened with Great Britain concerning the mandated territories south of the equator, and therefore he was not in a position to say definitely whether Great Britain would accept the American contentions with respect to this point, but it was needless to say that it was the policy of the United States to make the same claim with reference to the territories both north and south of the equator.

F. At the Paris conference there had been a difference of opinion between Great Britain and Japan on the question of whether the principle of equal opportunity should apply to Class C mandates. He himself sympathized with the Japanese contention, but, if Japan made her consent to the application of the principle north of the equator conditional on the recognition by Great Britain of its application south of the equator, ~~conditional on the recognition by Great Britain of its application south of the equator,~~ this amounted in the end to Japan using the new Japanese-American treaty indirectly to make the United States secure a settlement of a question pending between Great Britain and Japan. It would be quite impossible for the United States to consent to this.

In reply to these opinions of Hughes I gave the following explanation:

A. If a wide freedom of access was recognized in favor of American nationals and ships, this was no different from placing them in this important respect on the basis of treatment of citizens and in fact guaranteeing equality of opportunity between the two nations.

B. Theoretically it was clear that a third power could not share equally in the rights given America under the provisions of the new Japanese-American treaty, but once these rights had been recognized in favor of America it would not be easy as a matter of international friendship to ~~refuse~~ ^{refuse} them to Great Britain.

C. If the impression were produced that there was a distinction made in mandate terms depending on whether they applied north or south of the equator, and that Japan alone was making repeated concessions, a

very bad effect would be produced on Japanese national feeling.

D. The question of whether all treaties or the principle of equal opportunity should apply to mandated territories was not one in which Japan should assume engagements alone. Japan had already made all possible concessions on the questions which had hitherto arisen between Japan and America, and expressed the sincere purpose of promoting a settlement of pending questions. It was not fair to ask her first and alone to make further concessions on questions of common concern to other countries.

In reply to this explanation, Hughes said that he did not know whether under present conditions it would be possible to secure a quick settlement of the questions of the mandates south of the equator and of other general mandate questions. It did not appear that more or less delay in the solution of these questions would have an important effect on the general international situation. Unfortunately, however, the Yap question had aroused a sort of national feeling between Japan and America, and, in view of this, he thought it was urgent to clear up that question immediately. It was from this that there had come about the necessity of making a complete settlement in connection with this island which should extend to all questions of the mandate over the former German islands north of the equator. If Japan should persist in its contention that it could not make an independent agreement for the application north of the equator of the principle of equal opportunity or of all the Japanese-American treaties until there should be a decision on the application of the principle of equal opportunity to all Class C mandates, he regretted to say that he could do nothing but leave the whole question to a later date.

After a short hesitation, he offered the view that it might be considered a solution of this question if Japan should consent to the American proposal for the application to the Japanese mandated territories of all

the Japanese-American treaties and freedom of access for American nationals and ships, and at the same time the American government in connection with this new treaty should declare to Japan in a note that it intended to make the same proposal with reference to the other Class C mandated territories to the respective mandatory powers.

I replied that I did not think that the secretary's suggestion of a note would be sufficient to solve the difficulties encountered by Japan. We gave further exhaustive discussion to the matter without reaching satisfactory results. As Hughes displayed a very pessimistic air, I reserved this question and passed on to other points.

3. With reference to the ^American proposal that any modification of the mandate terms should require the consent of the United States, I pointed out that Japan would have no objection to a provision which would mean that, even if in future there should be a modification of the mandate terms, unless the United States should expressly have consented to the modification, nothing in the new Japanese-American treaty should be affected by such modification. Hughes finally consented to this.

4. With regard to the question of the mandate reports, Hughes expressed objection to the elimination of this provision for the same arguments given under No. 2 above. He asked why so slight an obligation towards the United States should not be recognized, and repeated his former arguments based on America's contribution to the victory.

I said that Japan fully appreciated the American standpoint, and did not wish necessarily to refuse this obligation to report, but I repeated my explanation that it was very difficult in the position of Japan toward the powers for her alone to take the lead and publicly recognize this obligation.

The secretary said that I had made my meaning clear, but this matter touched on a question of fundamental principle, and therefore the United States could hardly leave its decision to a later date. The United

States did not demand a special report, but would be satisfied to receive from Japan merely a duplicate of the report made to the League of Nations (he used the word "duplicate" but added that this did not mean "copy"). ^(copy) ~~He said~~ ^(copy) A "copy" is a transcript, but a duplicate is the original repeated and is as valid as the original, according to Webster ^(.).)

We discussed this at some length, but finally left it for further consideration.

5. In conclusion I asked Hughes what special rights were meant by the words "vested rights" in paragraph ^(e) of his memorandum of September 15.

Hughes explained that it had recently been reported to the American government that Americans had invested some capital in the former German islands north of the equator. As he remembered, the amount was no more than a few thousand dollars, but, as a matter of principle, he had inserted the words to guarantee that their capital and enterprises should not be confiscated. He said that he had inquired the places where these investments had been made and the names of the parties concerned, and he looked for the documents which he had had on hand, but did not find them. He therefore promised to give me the details later.

At the time of this interview I handed Hughes a memorandum in which I had outlined the position of the Japanese government. I am cabling you the complete text of this in another cablegram.

Shidehara continued to plead for concessions on the part of his government.

Washington-Tokyo, No. 702.

October 20, 1921,

Referring to my cablegram No. 592, I received by mail a reply memorandum from the secretary of state under date of October 18.

To sum up, -- ^{only} the discrepancies in opinion still existing be-
^ 950

tween the two countries are on the following points ~~and~~:

(space)

1. The application to our mandated territory of the various existing Japanese-American treaties, and free access on the part of American citizens and shipping to this mandated territory.

(indent)
2. Whether or not provision shall be made in the new treaty for presenting to the American government by the Japanese government a duplicate annual report on mandates.

(space)

My opinion as to these has already been submitted in my cablegram 660 accordingly, as long as the Japanese government at this time persists in its demands, in spite of all my efforts, it is inevitable that hope of a speedy settlement is gone. It seems to me that to strain at such points in the argument and so to postpone a settlement of this question cannot but again arouse public opinion, and make the situation increasingly disadvantageous now on the eve of the Pacific conference. Not only that, but it is evident that America will insist on similar demands in regard to mandates outside of Japan, and I cannot but suppose that in the end things will be only as they were at first. It serves us nothing at this time to stand on our dignity and to invite a situation which will do more harm than good. Therefore I earnestly hope that the Japanese government will without hesitation devise a speedy settlement of this question. Please give me your instructions in this matter with the utmost despatch.

Things drifted on until after the opening of the conference. Neither Japan nor America wished to have the question reopened and hashed over by the general assembly. Therefore, when Hughes said something would have to be done to close the matter quickly to prevent the dreaded introduction to the agenda, Shidehara rather preemptorily asked for final instructions.

November 16, 1921.

On November 16 the secretary of state came to me and said in effect that unless immediate settlement could be made of the Yap question, it must unavoidably be brought before the present conference. Since, with the exception of some fine points, the views of the two countries coincided on this question, he wished, if possible, not to have it discussed in the conference, but to get it settled between the two countries and then to have the plenipotentiaries of the two countries disclose it to the public.

This subject was also broached in a conversation with the French ambassador at a dinner at the Belgian ambassador's the evening of the fifteenth. I said that there were still two points of disagreement between the two countries, that both these points did not concern Japan and America solely, and therefore for Japan and America to decide them alone could hardly in honor be done. It appeared that the ambassador had already heard the circumstances from the secretary of state, for he replied that it was natural that the Japanese government should pay regard to the sentiment of other countries, yet, as far as France alone was concerned, there was no objection at all to an understanding being reached between Japan and America alone regarding Pacific questions.

Also according to private information that same evening from the Assistant secretary of state (owing to the pressing duties of the secretary of state, Mr. Fletcher instead is charged with reporting the progress of the conference to the President), the President is deeply gratified over the fact that, despite the belief on the part of many that this conference would bring on an immediate clash of opinion between Japan and America, it was evident to every one a few days after the opening session that such an opinion was absolutely baseless and that on the other hand they were able to act in concert with each other.

Upon consideration, if the Yap question is now to be discussed in

the conference, not merely the only two points now left pending, but the entire question must be explained and reconsidered. It is hard to conjecture what tedious proposals of one sort and another will be made by the Chinese during the course of such discussion. In short, I think it expedient to make prompt settlement of this question between Japan and America alone. Both Plenipotentiary Kato and Plenipotentiary Tokugawa are also entirely of this opinion. Therefore, that we may not be pressed further for our opinion on the two unsettled questions, please settle this matter in the *with the utmost speed and then send me* cabinet council instructions at once.

In reply Tokyo cabled Shidehara to confer with the other powers on the two remaining disputed points. When Hughes refused to consult England, Tokyo capitulated. Though Hughes had insisted on free access for American citizens and American shipping in Yap, he conceded these to get the treaty rights and the League report, yet Japan granted them anyway in the end, provided they were not included in the treaty.

Tokyo-Washington, Conference No. 45.

November 23, 1921.

Referring to our cablegram No. 630 (Note. Not received,³ It was probably dated November 12), careful consideration has been given to the points at issue between Japan and the United States in the mandate question which has arisen in connection with the Yap question, but it has not yet been possible to harmonize the views of the two countries. The Japanese government has determined its views on the two points as follows.

1. In regard to the application of the principle of equal opportunity to the Japanese mandated territories, Japan attaches importance to maintaining the same posture as all the other mandatory powers. At the same time the Japanese government takes the position of wishing to avoid to the utmost of ~~the imposing on Japan alone with regard to America/an ~~Japanese~~~~

obligation in a question which is of common concern to all Class C mandatory powers. It considers it proper to take this action after consulting all the interested powers.

The Japanese government is in entire agreement with the wish of the secretary of state to settle this question as quickly as possible between the United States and Japan. The Japanese government has heretofore done everything possible to meet the wishes of the American government, but in truth there is no other conclusion to be reached. You will therefore now endeavor to reach a settlement of this question between the United States and Japan in the spirit of our cablegram No. 631, (Note. Not received). If there is no prospect of the American government accepting this, it will be necessary, after the formality of a previous understanding with the United States, to take steps to submit this question to negotiation among the interested powers on a favorable occasion. While declaring the fairness of the attitude hitherto taken by the Japanese government on this matter, you will endeavor to secure a harmonious solution of this question in accordance with the contentions of the Japanese government.

2. The question of the annual administrative report is different from the first question, but we wish so far as possible to maintain an identical position with the other mandatory powers, and you will take the same steps indicated above to secure a solution of this question in accordance with paragraph 6 of cablegram No. 631.

You will communicate the foregoing to plenipotentiary delegates Kato and Tokugawa, and inform them that the instructions for the Washington conference which they were given are modified to this extent.

Conference
Washington-Tokyo, No. 160.
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December 7, 1921.

~~Washington-Tokyo, No. 160.~~

Referring to your cablegram No. 45, when the question of the quadruple

agreement came up, the secretary of state said that it was absolutely necessary to solve the mandate question with regard to Yap and the south sea islands before the agreement was made, and strongly pressed us for an answer.

On December 2 Saburi had an interview with the secretary of state and, after explaining and amplifying on the substance of your cablegram, he said that, in short, since Japan did not wish to make an independent agreement with the United States on mandate terms which would affect only the Japanese mandated territories, would it not be feasible to include Great Britain tentatively in the negotiations.

The secretary of state said that the points on which Japan and the United States had not reached an agreement were only three. In regard to point one, the application of treaties, he thought that not only would Japan suffer no inconvenience from their application to the south sea islands, but at present the point had nothing to do with the mandated territories south of the equator as neither Japan nor America has any treaties with Australia or New Zealand which would be applicable. In regard also to the point about the annual reports, out of consideration for the Japanese position, the United States had particularly used
[Ed. Note. Possibly, careful] wording, and this also was an extremely trifling question. There was left only the question of free access of Americans and American vessels.

Not only was a speedy settlement of this question now necessary, but, as the negotiations had so far proceeded between the United States and Japan alone, it was very undesirable to make this a conference question or to include Great Britain and to begin negotiations among the three powers. He hoped that the final points made by the United States would be further considered and that negotiations with Great Britain might be postponed for a time.

On December 5 the secretary requested that Saburi call upon him,

and, after again stating the extreme necessity of an early settlement of this matter between Japan and the United States, he said:

1. The situation of the mandated islands south of the equator is not analogous to that of the mandated islands in question. The United States has no commercial treaties which apply to Australia and New Zealand, and the information in its possession leads it to the belief that Japan has none either. There can be no question regarding the extension of any existing American or Japanese treaties to mandated islands south of the equator. The sole issue between the United States and Japan, involved in the proposal to recognize in the mandated islands the treaties existing between the two countries, is whether the treaty obligations of the Japanese government are to be deemed less binding in the territories which are to be under the administration of Japan, than in the territories which it possesses in full sovereignty.

If it were desired by Japan, the United States at the time of signing the new Japanese-American treaty would give a note that, in case the United States should in future conclude a commercial treaty with Australia and New Zealand, it would demand that the treaty apply to the mandated territories south of the equator.

2. With respect to the annual report, there would seem to be no reason why the United States should not receive a duplicate, as proposed. While the United States is not a member of the League of Nations, it is to be hoped that the Japanese government will recognize that the American government is no less entitled to consideration than are the members of the League.

3. Assuming that American nationals and vessels may be assured of the usual comity in visiting the harbors and waters of the islands in question, the United States will withdraw its ^Sinsistence upon any special agreements on the matter, if the treaties of the United States with Japan are recognized as applicable to these islands.

Immediately after the interview of that day we were given a written statement of the foregoing, the important parts of which I am cabling separately.

From the foregoing it appears that of the three points on which a mutual understanding had not been reached, the United States have yielded on the one which we had liked the least, i, e., the free access of American nationals and vessels. This concession, however, was made entirely in the sense of preparing the way for making the quadruple agreement by settling this question between the two countries and displaying their friendly relations abroad prior to making the agreement, and, for this reason, we hope that you will make no further argument with the Americans. We also consider it necessary in consideration of the general situation to settle this question with urgency. We therefore hope that, in view of the fact of this American concession and the change in the whole Pacific situation since your cablegram of instructions, you will consider ending these negotiations and arranging at this time a solution of the whole Yap question.

We request instructions.

Conference
Tokyo-Washington, No. 149
London-Washington, No. 647

December ?, 1921.

December 10, 1921.

Referring to your cablegram No. 160 concerning the questions of Yap and the south sea mandate, the Japanese government is warmly desirous of accelerating the establishment of the quadruple agreement, and therefore thinks it advantageous to settle these questions at this time, and has decided substantially to accept the proposal of the secretary of state given in your cablegram No. 161. You will endeavor to settle this question in the following sense.

1. We have no objection ^{to} the application of Japanese-American treaties to our mandated islands as proposed in the first part of

heading No. 1 of your cablegram No. 161.

2. With regard to the proposal in the latter part of the same heading No. 1, in regard to the free access of American nationals and vessels, the Japanese government has no objection to giving facilities to American American nationals and vessels, but it desires that this shall not be a provision in the new convention between the United States and Japan on the Yap question. The Japanese government hopes that the memorandum suggested by the American government in this passage will

3. There is no objection to giving the American government a copy of the annual report.

It is desired that, as proposed in paragraph No. 2 of the memorandum given in Ambassador Shidehara's cablegram No. 703 (Note. - the American memorandum of (Oct. 18), the Japanese government shall be given a note to the effect that it is the intention of the American government to make the same proposal to the other mandatory Powers.

As soon as the agreement was concluded, Hughes wanted to announce it to the public before the signing of the Four Power treaty.

Washington-Tokyo, Conference No. 205

December 12, 1921.

Urgent.

Having received your cablegram, conference No. 149, on the afternoon of Saturday, the tenth, I immediately communicated the contents of it to the secretary of state verbally and then on the ~~twelfth~~^{eleventh} presented it to him in a note.

Hughes said that, as this question had gotten on the nerves of the American people and there would be all kinds of conjectures as soon as it became known outside that the Yap negotiations had concluded, it was necessary to publish the results of the negotiations without loss of a

moment, and, as the Four Power treaty is to be signed tomorrow morning because of the departure of Viviani, he considered it by all means necessary to publish this today, and requested my consent.

Of course it is best to publish announcements of this kind here and at home at the same time, but, in view of the fact that the American authorities have been paying special attention to public opinion in reference to the ratification of the Four power treaty, I considered the publication as ^{an} unavoidable necessity and gave my consent. I request your approval of this.

The substance of the terms as they appeared the next morning, December 13, were as follows: 1. The United States will have free access with Japan for the landing and operating of cables; 2. The United States ^{are} granted wireless rights, but must use Japan's station as long as adequate and efficient service is provided; 3. The right of land ownership and residence for the cable company is granted without license, moreover, they may operate both ends without censorship or supervision, there is to be free entry and exit for persons, and property, no taxes or port charges for equipment or personnel, and no discriminatory police regulations; 4. The Japanese government agrees to expropriate land for the United States when necessary; 5. The United States consents to the Japanese mandate if she gets the benefits of Article V and VI of the mandate, that is, freedom of worship and missionary rights, respect for vested American rights, the application of Japanese-American treaties to Yap, and finally the consent, or veto, over any modification of mandate terms and a duplicate report on the administration. This was considered

a paraphrase of Article XXII of the League of Nations covenant. ^{that} For text of treaty see Appendix XI.)

Washington-Tokyo, Conference No. 218,

December 13, 1921.

Following the announcement of the quadruple treaty, the Yap agreement was announced by the secretary of state on December 12 and on the same day our acceptance of the date for the withdrawal of postoffices from China was made public. Our fair policy in the Shantung question is gradually becoming known to the world, and, as at the same time the Chinese delegates by way of defending their own position are making a propaganda that they expect to recover the whole Shantung railway by paying compensation to Japan, there is a general optimism about the settlement of the various Chinese questions and especially the Shantung question.

With regard also to the naval ratio question, there are cable reports from Tokyo that Japan will finally accept the sixty percent ratio and this also is generally regarded with optimism, the former partial reaction of public opinion concerning this question seems practically to have abated, and of late the feelings of the American government and people towards us have more and more been changing for the better.

On the twelfth, however, the quadruple treaty was discussed in the Senate and Borah, Reed and other irreconcilables opened a combined attack. We are afraid that, accompanying the progress of the discussion, they will again take up the Sino-Japanese treaties, the Shantung questions, etc., and denounce our country as material for their attack on the quadruple treaty, and the Chinese propagandists will seize the opportunity and become active.

Tokyo published the treaty December 15 and then commended Shidehara on his

achievement and urged him to get the consent of China and the Netherlands to the agreement since they were handy.

Tokyo-Washington, Conference No. 201.

December 19, 1921.

In making the friendly settlement which has at last been reached between Japan and the United States on the Yap question, the sense of the understanding with reference to the allocation and use of cables was that an agreement was to be concluded among the principal allied powers in the form of a treaty embodying approximately the same provisions as those contained in the nine articles of your cablegram No. 339. China, however, as stated in our cablegram No. 459, made a protest with reference to the Yap-Shanghai cable and it is hard to foresee whether Holland, in consideration of acquiring the Yap-Menado cable, will really relinquish all her other claims to the German Netherlands Telegraph company.

Therefore, in view of the fortunate circumstance that representatives of the principal allied powers and of Holland and China are all at present in Washington, it might be advisable to obtain the general consent of the other countries concerned in this matter to the above-mentioned understanding between Japan and the United States. You will, therefore, proceed to sound the opinion of the United States relative to the above and report by cable.

Tokyo-Washington, Conference No. 203.

December 19, 1921.

To Ambassador Shidehara.

The Yap question which has been a source of public excitement both in Japan and the United States has at last been settled. Your recent efforts in behalf of the conclusion of this treaty are a source of great satisfaction to the Japanese government. With reference to drawing up

(1) With reference to the form of the treaty, as recommended in the last part of Article 3 of Shidehara's cablegram No. 593 and in succeeding cablegrams, to which assent was given in paragraph 3 of our cablegram No. 432, after quoting the full text of the mandate provisions decided upon in the League council in the same form as they were fixed ^{by} the League, it will be stated that, regarding the application of these articles, an understanding has been entered into between Japan and the United States with reference to the various points to be mentioned below. Then the various points of this understanding will be listed in separate paragraphs.

(2) In clause (c) of part 5 of your cablegram No. 206 (?), the general provision is made that any changes in the mandate provisions shall be subject to the consent of the United States. This recommendation was accepted in part 2 of our cablegram No. 504. It is very important to make clear the meaning of this provision and on the basis of this cablegram, Ambassador Shidehara will make arrangements to change the wording in part 5 of the memorandum presented to Hughes on October 17.

The agreement on this matter was officially announced here on the fifteenth, but it was stated that, in the formal treaty between Japan and the United States, the consent of the United States would be necessary to make changes in the articles quoting the mandate provisions with respect to the two points noted above.

December 31 there were rumors of a six-power convention of approval: This was a provisional agreement which had been accepted in principle by all the powers. The Dutch were to own one third of the ^Menado cable and all other powers renounced their interests in favor of Japan and the United States. The cable to Shanghai was to depend on the consent of China.

The treaty was finally signed February 11, referred to the Senate committee two days later, reported out favorably February 20 and passed in the senate 67-22, March 1, 1922.

As for the honors in this round of the diplomatic battle, the victory undisputedly goes to Hughes. Far be it to insinuate that he struck below the belt, but one might imply that he clinched doggedly in a bearish embrace until his opponent weakened and gave in. Technically and legally his form was poor, - he had scarcely a leg to stand on, - but his endurance and wind were sound. How he must have smiled as he played his waiting game!

And as for poor Shidehara, he worked and sweated, squirmed and struggled, arguing first with America and then with the home office to persuade them both to agree. He gave up first complete ownership, then joint ownership and operating right of the Yap-Guam cable. Next went supervision of messages, expropriation, wireless rights, unlicensed and untaxed land and property ownership for cable companies, and mandate benefits. Inadvertently he blacked his own eye by the extension of treaty rights. And finally he contributed veto of mandate terms and an annual report. But he won his cherished recognition of the Japanese mandate of Yap.

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There remains to discover what happened to the fruits of the Conference on

the Limitation of Armaments and Pacific and Far East Questions, what became of the leading figures in the secret cables and to make a final guess at what might have happened if --

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To prevent this from going on forever, the fate of the treaties in Japan is left for Ichihashi to tell in his previously mentioned work. Briefly, the Five Power Naval treaty was submitted to the plenary session of February 1 and signed February 6, along with the others. It passed the United States senate March 31 without much ado. The Nine Power Open Door treaty, the Chinese tariff treaty and the resolutions on China were adopted in the plenary session of February 4. After the proverbial attack by Borah on the ground that they did not restore sovereignty to China, they were passed by the senate March 29.

The Shantung treaty, announced February 1, was signed in the Pan-American building the fourth. The Yap agreement was published in haste December 12, 1921, signed at leisure February 11, 1922, turned over to the senate committee on foreign relations two days later, reported out favorably the twentieth and passed March 1, 1922.

The mystery treaty was the one the senate concentrated its venom on. Announced hurriedly December 10, 1921, and signed three days later at the state department, it was given over to the senate February 10 and the committee on foreign relations the

next day. On the fifteenth Hitchcock initiated a resolution directed at the President demanding to see the minutes concerning this pact and the senate passed it gleefully the next day. While they were waiting a reply, Brandagee introduced a reservation asserting that the United States would be under no obligation to use force under Article II of the treaty and that no agreements could be binding on the United States until approved by congress.

To the astonishment of all Harding replied politely that there were no data on the mystery treaty. For the next five days reservations were as thick as mosquitoes. Pomerene introduced one saying that any agreement was subject to the approval of congress. Lodge brought forward one, presumably sponsored by Harding, that there was to be no alliance. Brandagee sponsored a second reservation as to no alliance. Finally the committee threw the treaty to the senate protected only by the second Brandagee reservation.

As soon as it landed there Robinson and Pomerene offered new reservations. Hitchcock attacked the whole agreement, and Borah queried Harding as to the effect on the Lansing-Ishii agreement. After due thought, the President replied that this pact superseded the former note. The Robinson amendment was pushed for a few days and then dropped. Walsh, who had likewise thought up a change, lost his amendment. Those of Pittman and Shields also fell by the wayside. March 24 the whole was ratified by the senate with the Brandagee reservation and the supplement

was approved three days later. For the text of the reservation and supplement to the Four Power Pacific treaty, see Appendices V and VI.

And what became of the chief oriental characters in Hughes' all-star production?

Baron Shidehara, had to be relieved from his post at Washington, because of illness, but he recovered sufficiently to serve as foreign minister from 1924-27 and again in 1929. Hanihara became ambassador to Washington⁴¹ 1923-2⁴_A. Matsudaira was appointed vice-minister of foreign affairs 1924-25, came to America as ambassador, 1925-28 and then went on to London to serve there, where he took part in another conference on naval armament, 1929-30, the sequel to the Washington affair.

Baron ^h~~G~~onsuke Hayas^hki is now the grand master of ceremonies in the Imperial household. Ishii is a privy councillor and a member of the house of peers. Vice-admiral Kanji Kato is now a full admiral and a supreme war councillor. Vice-admiral Kichisaburo Nomura is commander-in-chief of the Kure naval station. Katsuji Debuchi, then an embassy counsellor, is now ambassador at Washington, after a period as vice-minister of foreign affairs. Toshio Shiratori and Hiroshi Saito are in the intelligence bureau, the former is a section chief there and a secretary in the foreign office, the latter is chief perhaps because of faithful service at the London naval conference.

The minister of war, Yamanashi, after governing ghosen for several seasons, retired to private life, but Uyebara is now a baron and a member of the board of

marshalls and fleet admirals. Takahashi was again minister of finance in 1927 and again served temporarily as premier when Premier Inouye was assassinated in 1932 before assuming his old post as finance minister. Uchida, after a career as privy councillor, retired until he was called forth recently, 1932, to head the foreign office once more. Obata is at leisure after a session as ambassador to Turkey 1925-30. General Kunishige Tanaka, retired, is founder of the Enlightened Ethics Society, the Japanese fascist organization, composed chiefly of ex-soldiers. Eiichi Kimura is now director of the South Manchurian Railway company and Yotaro Sugimura is deputy chief of the League of Nations office at Geneva and chief of the political bureau there.

As for the other orientals, Koo, after serving as foreign minister and premier, was proscribed by his government from 1928-30. Sze became minister to Great Britain, (1914-21), 29-32, and delegate to the League of Nations; he has recently been returned to Washington where he served as ambassador 1921-29. And Wang Chung-hui in 1930 was elected a judge in the permanent court of international justice.

Picture for yourself what would have happened---

--If Borah's original resolution had been acted on?

--If Curzon had called the conference himself in London instead of having America call it?

--If Curzon had stated his purpose to Japan and America plainly and clearly at first instead of being vague about it?

--If Curzon had not insisted on a combined conference at the time he suggested to the United States to hold an armament conference?

--If Harding hadn't complicated the agenda by adding land and aerial armament and putting France on the defensive?

--If he hadn't complicated it further by adding the conference on the Pacific?

--f France had had a seat at the head of the table from the very first day?

--f France had been included in the first announced naval cut program and

not unceremoniously relegated to fourth place on the seas?

--f Balfour and Hughes hadn't granted Japan the Mutsu when they did?

--f Kato had held out for the 10-7 or the 10-6.5 ratio?

--f He had presented a concrete proposal concerning status quo of Pacific fortifications?

--f He had defined "Japan proper" in the beginning?

--f Balfour had recognized the applicability of the status quo provision to the whole Pacific, including his south Pacific possessions?

--f Hughes hadn't forgotten to except the Panama canal zone and Alaska from the status quo article?

--f Hughes had not forgotten to specify status quo on the day of the treaty signature, or that it applied to future acquisitions, or to insist that

Okinawa be included?

--f Kato had refused to concede status quo for Ogasawara?

--f Hughes and Balfour had not neglected to consult France about the status quo in the Pacific?

--f Balfour and Hughes had known the answer to "When is an island not an island?"

--f Hughes and Balfour hadn't rushed the Four Power treaty through for public

announcement without a definite understanding as to its sphere of applicability?

-- Shidehara had refused to sign the Four Power treaty including Japan proper against his better judgment?

-- The President had not spoken out of turn about the exclusion of Japan?

-- It had been a Three Power Treaty instead of Four?

Or -- Portugal and Holland had been included along with the others?

-- He had taken the advice of the British legal authorities when the troublesome question was first raised?

-- Hughes had granted the supplementary note excluding Japan proper and announced it at the same time as the Four Power treaty?

-- China had gained complete sovereignty?

-- She had had action taken on the three neglected resolutions: no treaty affecting her valid without her approval and participation, definite limits put to indefinite contracts, interpretation of instruments granting special rights and privileges in favor of the grantor?

-- China had forced Japan to review and repeal the twenty-one demands?

-- China had succeeded in keeping the fourth part of the Hughes resolution on the open door that Borden voted out?

-- China had introduced the Shantung controversy to the floor of the conference?

~~—~~ Siberia had had a voice?

~~—~~ Korea had had a voice?

~~—~~ The Canton government had had a voice?

~~—~~ Wilson had objected strenuously and forcibly about Yap when the mandate was awarded May 6, 1919, or immediately after it was announced?

~~—~~ France, Italy, England and the rest had not needed to curry America's favor after the war and could have supported the Japanese stand on Yap?

~~—~~ American business men hadn't demanded the Yap-Guam cable and wireless rights?

~~—~~ Hughes had not received via the American Black Chamber No. 578 and subsequent messages from Tokyo instructing Shidehara "if absolutely unavoidable, the Japanese government as a final compromise, would agree to giving America possession of the entire Yap-Guam line."

-- Or, rather, if there had been no American Black Chamber at all?

What would have happened?

The End.

- IV Four Power Pacific Treaty.
V Reservations to the Four Power Pacific Treaty.
VI Supplement to the Four Power Pacific Treaty.
VII Text of the American Note Sent to Holland and
Portugal in re Four Power Pacific Treaty.
VIII Nine Power Open Door Treaty.
IX Chinese Tariff Treaty.
X Shantung Treaty.
XI Yap Treaty.
XII Bibliography.

Numerical Cable Index
General Index

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Appendices

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Plenipotentiaries and Advisers

to the Washington Conference

~~Japan Chief Delegates.~~

Chief Delegate (ant)

Prince Iyesato Tokugawa, president of the house of peers, born 1863 at Tokyo, third son of Yoshiyori Tokugawa, one of the three Tokugawa branches; adopted as heir in 1868 by last of the Tokugawa Shoguns; studied in England 1873-77; toured Europe in 1910.

Baron Tomosaburo Kato, admiral and minister of the navy; born in 1859 at Hiroshima; midshipman in 1883, captain in 1899; professor at the navy academy; construction superintendant in the navy department; chief of staff of a standing squadron in 1902; chief of staff of the Kamimura squadron in the 1904-05 war; vice-minister in 1906; vice-admiral in 1908; commander of Kure admiralty 1909-14; commander-in-chief of the first fleet on the declaration of war in 1914; created a peer during the war for services.

Baron Kiuro Shidehara, ambassador to the United States ^{1919-22;} ~~since 1922;~~ born 1872 in Kawachi; graduated Law school Imperial Tokyo university in 1895; served in the agriculture and commerce department; élève consul at Chemulpo in 1899; London, Antwerp, etc.; secretary of head office 1911; embassy counsellor at Washington 1912; minister at Hague 1914-15; vice-minister of foreign affairs in 1915; created peer for services during the war.

Masanao Hanihara, vice-minister of foreign affairs since 1919; born in 1876 in Yamanashi-ken; graduated from Waseda in 1897; attaché at Seoul legation 1899; at Washington 1901; secretary there 1902; secretarial chief at foreign office; consul-general at San Francisco 1916-17; director of political affairs 1917-19.

Major Advisers.

Sennosuke Yokota, director of the legislative bureau.

Tsuneo Matsudaira, director of the European and American bureau of the foreign office;

(1921-22)

Dr. Kiroku Hayashi, coun⁴⁰~~se~~llor of the foreign office;

Toru Takao, consul general, coun⁴⁰~~se~~llor of the foreign office.

Minor Advisers.

Secretaries of the foreign office: Eiichi Kimura; Yotaro Sugimura;
Shuichi Sako; Eiji Amau; Yoshio Iwate; Toshio Shiratori; Ciji Kishida;
Isago Gomiyo; Hirofumi Terajima;

Translators: Tsunetaro Yamamoto; Tsuneo Yoneyama; Chuichiro Harada;
Jotaro Takayanagi;

Chancellors: Yokichi Okajima; Thuruya Tamaki;

Special appointees of the foreign office: Sa^Kutaro Tate, Etgo Fu^Kgai;
Katsuji Inahara;

Secretaries of the department of finance: Tsunetka Komuchi; Takeo
Kawagoe; Yutaro Tomita;

Military Advisers

Kunishige Tanaka

Major-General/director of the third department of the general staff;
Lieutenant-Colonel Noboru Morita, artillery; Major Kanichiro Tashiro, general
staff; Major Tanehide Furujo, infantry; Major Kanichi Nishihara, war office;
Captain Takamasu Iseki, artillery, war office; Surgeon Kanichiro Morishima.

Naval Advisers.

Vice-admiral Kanji Kato; Captain Katsuroshin Yamanashi, Captain Nobumasa
Suetsuga; Captain Yoshi Takeueda; Captain Kichisabura Nomura; Commander
Teikichi Hori; Lieutenant-Commander Akira Kuragana; Lieutenant Torao Kuwabara;
Lieutenant Yoshi^hiko Mito; Lieutenant-Commander Daisuke Takei; Naval Construct-
or Kasushi Taji; Juji Enomoto, coun⁴⁰~~se~~llor of the Navy department.

Minor Advisers

Shinishiro Matsumura, coun⁴⁰~~se~~llor of the legislative bureau; Katsuji
Debuchi, embassy coun⁴⁰~~se~~llor; Sadao Saburi, embassy coun⁴⁰~~se~~llor; Yotaro Suzuki,
first embassy secretary; Hachiro Arita, first embassy secretary; Hiroshi
Saito, consul; Shigeru Kuriyama, second embassy secretary; embassy third
secretaries: Masasharu Shibatsu; Renzo Sawad; Itaro Ishii; Shu Tomii;

Shoichi Nakayama; Takanobu Mitsuya; Canzo Shiosaki; Tadakazui Ohashi; Tatsuo Kanobu Kawai; Rinkei Tsuda.

Morindo Morishima, attaché; Akira Omi, attaché; Hoshiaki Muira, secretary foreign office; Takeio Ishii, telegraph; Joshiro Sugiyama, assistant consul; Issaku Okamoto, chancellor.

Major-general Sawaji Otake attaché to League of Nations; Major-General Hatsutaro Haraguchi military attaché at embassy; Lieutenant-Colonel Haruji Tatekawa, cavalry, assistant military attaché at embassy; Major Tsunenari Hara, cavalry; Captain Harumi Mijuno, navy; Captain Oasaharu Hibino, navy; Surgeon Masabaru Kojima; Dr. Tadashi Negishi, instructor Tokyo University of Commerce; Tokyo Nagakawa, secretary, department of communications; Kiyoshi Kanai, ⁴⁰coun~~se~~llor; Baron Naibu Kanda, House of Peers; Masunosuke Odagiri, director of the Yokohama Specie Bank; Yasuji Seko, secretary, house of peers. Captain Kojima; ~~Sawaji~~ ^{Ohta}; ^{OHTA}; Osagawa; Sakai; Midsushima; Oka; E. Amoh; Iwagami, Yamasaki; Y. Uyeda, naval attaché at embassy.

(The above names were listed in The New York Times chiefly on November 6, 1921, though some appeared during the preceding months.)

Other prominent Japanese who appear in the cables are:

Baron Gonsuke Hayashi, ambassador to the Court of St. James since 1920 and former governor of Kwantung leased territory, 1919-20; born at Aizu in 1860; graduated Law school Imperial Tokyo university and entered the foreign office 1885; consul and secretary of legation, 1887-1889; director of commercial bureau 1898; minister at Seoul 1899; at Peking 1906-08 and 1916-18; at Rome 1908-16.

Viscount Kikujiro Ishii, ambassador to Paris since 1920; member of the House of Peers; born at Chiba in 1866; graduated Law school Imperial Tokyo university, 1890; attaché to French legation, 1891; third secretary French legation 1893; consul at Ninsen, 1896; second and then first secretary Chinese legation during Boxer trouble; secretary at head office and chief of telegraph section, 1900; director of the commerce bureau, 1904; to San Francisco and

Vancouver, 1907 about the anti-Japanese riot; vice-minister foreign affairs, 1908; ambassador to Paris; minister foreign affairs, 1915-16; special envoy to the United States, 1917; ambassador to the United States, 1918-19.

Lieutenant-General Hanzo Yamanashi, minister of war since 1921; born in Kanagawa-ken, 1865; sub-lieutenant in infantry, 1886; captain, 1895; major, 1900; colonel, 1909; major-general, 1915; appointed in the meantime as instructor to the military and naval colleges, regimental and then brigade commander, section chief of the general staff office, and finally, chief of the inspection department, military education board in 1916; distinguished himself as chief of staff of the besieging army of Tsingtao during war of 1914; lieutenant-general and vice-minister of war under General Tanaka since 1917, and then his successor.

Baron General Yusaku Uyehara, chief of general staff board, born in Hyuga, 1856; sub-lieutenant, 1869; ordered to study in France, 1889; staff officer to the first army in the Sino-Japanese war which gained him the Fourth Class Golden Kite; attended the coronation ceremony of the Tsar and also the Hague peace conference; chief of staff to Marshall Nozu in the Russo-Japanese war; commander of the seventh divisions, 1908; minister of war, 1912-13; chief of military education board, 1914.

Vice-minister of war, Lieutenant-General S. Ono.

General staff: vice-chief, Lieutenant Shintaro Kikuchi; sectional chiefs: general, Lieutenant-General S. Kishimoto; first, Major-General H. Kanaya; second, Major-General K. Tanaka; third, Major-General K. Wada; fourth Major-General G. Kunishi.

Viscount Korekiyo Takahashi, member of the house of peers, premier as successor to Mr. Hara, acting minister of the navy and minister of finance; born in Tokyo, 1854; sent to America for study, 1867; treated as a slave for several months through the treachery of his knavish American guardian; returned home, 1868; appointed an official of the department of agriculture and commerce, 1881; rose to be director of patent bureau; abandoned this post because of the notorious fraud of a "gold mine" in Peru, after being victimized by a

German swindler; entered Bank of Japan; became a director; vice-president of the Yokohama Specie bank, 1897; elected vice-governor of the Bank of Japan; then president of the Specie bank, 1906 retaining the former post; financial agent for loans in England and America, dispatched abroad, 1905 and 1906; governor of the Bank of Japan, 1911; minister of finance, 1913-14, 1918; promoted to viscount, 1920 for his service in the European war.

Count Yasuya Uchida, minister of foreign affairs ~~since~~ ^{-22;} 1918; born in Kumamoto-ken, 1865; attache at Washington, 1887; permanent secretary to the minister of agriculture and commerce and at the foreign office; secretary of the legation at London, 1893; transferred to Peking, 1895-98; director of political bureau until vice-minister of foreign affairs, 1900; minister to Peking, 1901-06; ambassador at Vienna and then at Washington 1909; minister of foreign affairs, 1912; ambassador to Petrograd during war of 1914; promoted to court rank, 1920 for his service in connection with the conclusion of the treaty of peace.

Torikichi Obata, minister to China since 1918; born in Ishikawa-ken 1873; graduated Law school Imperial Tokyo university in 1897; passed diplomatic examinations, 1898 and served at Tientsin, Singapore, Vienna, London, etc.; secretary at Peking, 1905; consul at Chefoo and Tientsin; ^{As} ~~counsellor~~ at Peking legation and then director of political bureau, foreign office, 1916-18.

Plenipotentiaries from other nations

The United States.

Charles Evans Hughes, secretary of state and conference chairman.

Henry Cabot Lodge, senator from Massachusetts, Republican leader.

Elihu Root, ex-senator and ex-secretary of state.

Oscar W. Underwood, senator from Alabama, Democratic leader.

Belgium

Baron de Cartier, Belgian ambassador to the United States.

British Empire

Arthur James Balfour, Lord President of the Privy Council.

Arthur Hamilton Lee, Lord of Fareham, First Lord of the Admiralty.

Sir Auckland Geddes, British ambassador to the United States.

Sir Robert Borden, Canadian premier.

George Foster Pearce, senator from Australia, minister of defence.

Sir John Salmond, judge of supreme court, New Zealand.

Srinivasa Sastri, Indian council of state.

China

Sao-ke Alfred Sze, minister to the United States.

V. K. Wellington Koo, minister to London.

Wang Chung-hui, chief justice of the supreme court of China.

France

Aristide Briand, premier, president of the council, minister of foreign affairs.

René Viviani, former president of the council.

Albert Sarraut, senator and colonial minister.

Jules Jusserand, ambassador to the United States.

Italy

Carlo Schanzer, senator.

Vittorio Rolando-Ricci, ambassador to the United States.

Luigi Albertini, senator.

The Netherlands

H. A. van Karnebeek, foreign minister.

Frans Beelaerts van Blokland, chief of the political division of foreign affairs.

A. W. L. Tjarda van Starkenborgh Stachouwer, secretary general.

Dr. J. C. A. Everwijn, minister to the United States.

Dr. E. Moresco, vice-president of the council.

S. H. de Beaufort.

Portugal

San Jose Francisco, visconde d'Alte, minister to the United States.

Captain Ernesto de Vasconcellos.

The United States of America, the British Empire, France, Italy, and Japan;

Desiring to contribute to the maintenance of the general peace, and to reduce the burdens of competition in armament;

Have resolved, with a view to accomplishing these purposes, to conclude a treaty to limit their respective naval armament, and to that end have appointed as their plenipotentiaries;

(List of delegates)

Who, having communicated to each other their respective full powers, found to be in good and due form, have agreed as follows:

Chapter I. General provisions, relating to the limitation of
Naval armament

Article I. The contracting powers agree to limit their respective naval armament as provided in the present treaty.

Article II. The contracting powers may retain respectively the capital ships which are specified in Chapter II, Part 1. On the coming into force of the present treaty, but subject to the following provisions of this article, all other capital ships, built or building, of the United States, the British Empire and Japan shall be disposed of as prescribed in Chapter II, Part 2.

In addition to the capital ships specified in Chapter II, Part 1, the United States may complete and retain two ships of the West Virginia class now under construction. On the completion of these two ships the North Dakota and Delaware shall be disposed of as prescribed in Chapter II, Part 2.

The British Empire may, in accordance with the replacement table in Chapter II, Part 3, construct two new capital ships not exceeding 35,000 tons (35,560 metric tons) standard displacement each. On the completion of the said two ships the Thunderer, King George V, Ajax, and Centurion shall be disposed of as prescribed in Chapter II, Part 2.

Article III. Subject to the provisions of Article II, the contracting powers shall abandon their respective capital-ship building programs, and no new capital ships shall be constructed or acquired by any of the contracting powers except replacement tonnage which may be constructed or acquired as specified in Chapter II, Part 3.

Ships which are replaced in accordance with Chapter II, Part 3, shall be disposed of as prescribed in Part 2 of that Chapter.

Article IV. The total capital-ship replacement tonnage of each of the contracting powers shall not exceed in standard displacement: for the United States 525,000 tons (533,400 metric tons); for the British Empire, 525,000 tons (533,400 metric tons); for France, 175,000 tons (177,800 metric tons); for Italy, 175,000 tons (177,800 metric tons); for Japan, 315,000 tons (320,040 metric tons).

Article V. No capital ship exceeding 35,000 tons (35,560 metric tons) standard displacement shall be acquired by, or constructed by, for, or within the jurisdiction of, any of the contracting powers.

Article VI. No capital ship of any of the contracting powers shall carry a gun with a caliber in excess of 16 inches (406 millimeters).

Article VII. The total tonnage for aircraft carriers of each of the contracting powers shall not exceed in standard displacement: for the United States, 135,000 tons (137,160 metric tons); for the British Empire, 135,000 tons (137,160 metric tons); for France, 60,000 tons (60,960 metric tons); for Italy, 60,000 tons (60,960 metric tons); for Japan, 81,000 tons (82,296 metric tons).

Article VIII. The replacement of aircraft carriers shall be effected only as prescribed in Chapter II, Part 3, provided, however, that all aircraft carrier tonnage in existence or building on November 12, 1921, shall be considered experimental, and may be replaced, within the total tonnage limit prescribed in Article VII, without regard to its age.

Article IX. No aircraft carrier exceeding 27,000 tons (27,432 metric

tons) standard displacement shall be acquired by, or constructed by, for, or within the jurisdiction of, any of the contracting powers.

However, any of the contracting powers may, provided that ^{its} ~~is~~ total tonnage allowance of aircraft carriers is not thereby exceeded, build not more than two aircraft carriers, each of a tonnage of not more than 33,000 tons (33,528 metric tons) standard displacement, and in order to effect economy any of the contracting powers may use for this purpose any two of their ships, whether constructed or in course of construction, which would otherwise be scrapped under the provisions of Article II. The armament of any aircraft carriers exceeding 27,000 tons (27,432 metric tons) standard displacement shall be in accordance with the requirements of Article X, except that the total number of guns to be carried in case any of such guns be of a caliber exceeding 6 inches (152 millimeters), except anti-aircraft guns and guns not exceeding 5 inches (127 millimeters), shall not exceed eight.

Article X. No aircraft carrier of any of the contracting powers shall carry a gun with a caliber in excess of 8 inches (203 millimeters). Without prejudice to the provisions of Article IX, if the armament carried includes guns exceeding 6 inches (152 millimeters) in caliber, the total number of guns carried, except anti-aircraft guns and guns not exceeding 5 inches (127 millimeters), shall not exceed ten. If, alternatively, the armament contains no guns exceeding 6 inches (152 millimeters) in caliber, the number of guns is not limited. In either case the number of anti-aircraft guns and of guns not exceeding 5 inches (127 millimeters) is not limited.

Article XI. No vessel of war exceeding 10,000 tons (10,160 metric tons) standard displacement, other than a capital ship or aircraft carrier, shall be acquired by, or constructed by, for, or within the jurisdiction of, any of the contracting powers. Vessels not specifically built as fighting ships nor taken in time of peace under government control for fighting purposes, which are employed on fleet duties or as troop transports or in

some other way for the purpose of assisting in the prosecution of hostilities otherwise than as fighting ships, shall not be within the limitations of this article.

Article XII. No vessel of war of any of the contracting powers, hereafter laid down, other than a capital ship, shall carry a gun with a caliber in excess of 8 inches (203 millimeters).

Article XIII. Except as provided in Article IX, no ship designated in the present treaty to be scrapped may be reconverted into a vessel of war.

Article XIV. No preparations shall be made in merchant ships in time of peace for the installation of warlike armaments for the purpose of converting such ships into vessels of war, other than the necessary stiffening of decks for the mounting of guns not exceeding 6 inch (152 millimeters) caliber.

Article XV. No vessel of war constructed within the jurisdictions of any of the contracting powers for a non-contracting power shall exceed the limitations as to displacement and armament prescribed by the present treaty for vessels of a similar type which may be constructed by or for any of the contracting powers; provided, however, that the displacement for aircraft carriers constructed for a non-contracting power shall in no case exceed 27,000 tons (27,432 metric tons) standard displacement.

Article XVI. If the construction of any vessel of war for a non-contracting power is undertaken within the jurisdiction of any of the contracting powers, such power shall promptly inform the other contracting powers of the date of the signing of the contract and the date on which the keel of this ship is laid; and shall also communicate to them the particulars relating to the ship prescribed in Chapter II, Part 3, Section I (b), (4) and (5).

Article XVII. In the event of a contracting power being engaged in war, such power shall not use as a vessel of war any vessel of war which may be under construction within its jurisdiction for any other power, or which may have been constructed within its jurisdiction for another power and not delivered.

Article XVIII. Each of the contracting powers undertakes not to dispose by gift, sale or any mode of transfer of any vessel ~~of war~~ of war in such a manner that such vessel may become a vessel of war in the navy of any foreign power.

Article XIX. The United States, the British Empire and Japan agree that the status quo at the time of the signing of the present treaty, with regard to fortifications and naval bases, shall be maintained in their respective territories and possessions specified hereunder:

1. The insular possessions which the United States now holds or may hereafter acquire in the Pacific ocean, except (a) those adjacent to the coast of the United States, Alaska, and the Panama canal zone, not including the Aleutian islands, and (b) the Hawaiian islands;

2. Hongkong and the insular possessions which the British Empire now holds or may hereafter acquire in the Pacific ocean, east of the meridian of 110 degrees east longitude, except (a) those adjacent to the coast of Canada, (b) the Commonwealth of Australia and its territories, and (c) New Zealand.

3. The following insular territories and possessions of Japan in the Pacific ocean, to wit: the Kurile islands, the Bonin islands, Amami-Oshima, the Loochoo islands, Formosa and the Pescadores, and any insular territories or possessions in the Pacific ocean which Japan may hereafter acquire.

The maintenance of the status quo under the foregoing provisions implies that no new fortifications or naval bases shall be established in the territories and possessions specified; that no measures shall be taken to increase the existing naval facilities for the repair and maintenance of naval forces, and that no increase shall be made in the coast defences of the territories and possessions above specified. This restriction, however, does not preclude such repair and replacement of worn-out weapons and equipment as is customary in naval and military establishments in time of peace.

Article XX. The rules for determining tonnage displacement prescribed in Chapter II, Part 4, shall apply to the ships of each of the contracting powers.

Chapter II relating to the execution of the treaty -- definition of terms.

Part 1. Capital Ships Which May Be Retained By the Contracting Powers.

In accordance with Article II ships may be retained by each of the contracting powers as specified in this part.

Ships which may be retained by the United States:

Name	Tonnage.
Maryland	32,600
California	32,300
Tennessee	32,300
Idaho	32,000
New Mexico	32,000
Mississippi	32,000
Arizona	31,400
Pennsylvania	31,400
Oklahoma	27,500
Nevada	27,500
New York	27,000
Texas	27,000
Arkansas.....	26,000
Wyoming	26,000
Florida	21,825
Utah	21,825
North Dakota	20,000
Delaware	20,000
Total tonnage	<u>500,650</u>

On the completion of the two ships of the West Virginia class and the scrapping of the North Dakota and Delaware, as provided in Article II, the total tonnage to be retained by the United States will be 525,850 tons.

Ships which may be retained by the British Empire:

Name	Tonnage.
Royal Sovereign	25,750

Royal Oak	25,750
Revenge	25,750
Resolution	25,750
Ramillies	25,750
Malaya	27,500
Valiant	27,500
Barham	27,500
Queen Elizabeth	27,500
Warspite	27,500
Benbow	25,000
Emperor of India	25,000
Iron Duke	25,000
Marlborough	25,000
Hood	41,200
Renown	26,500
Repulse	26,500
Tiger	28,500
Thunderer	22,500
King George V	23,000
Ajax	23,000
Centurion	<u>23,000</u>
Total tonnage	580,450

On the completion of the two new ships to be constructed and the scrapping of the Thunderer, King George V, Ajax and Centurion, as provided for in Article II, the total tonnage to be retained by the British Empire will be 558,950 tons.

Ships which may be retained by France:

Name	Tonnage. (Metric tons)
Bretagne	23,500
Lorraine	23,500
Provence	23,500

Paris	23,500
France	23,500
Jean Bart	23,500
Courbet	23,500
Condorcet	18,890
Diderot	18,890
Voltaire	<u>18,890</u>

Total tonnage221,170

France may lay down new tonnage in the years 1927, 1929, and 1931, as provided in Part 3, Section II.

Ships which may be retained by Italy:

Name	Tonnage (Metric tons)
Andrea Doria	22,700
Caio Duilio	22,700
Conte di Cavour	22,500
Giulio Cesare	22,500
Leonardo da Vinci	22,500
Dante Alighieri	19,500
Roma	12,600
Napoli	12,600
Vittorio Emanuele	12,600
Regina Elena	<u>12,600</u>

Total tonnage 182,800

Italy may lay down new tonnage in the years 1927, 1929, and 1931 as provided in Part 3, Section II.

Ships which may be retained by Japan:

Name	Tonnage
Mutsu	33,800
Nagato	33,800
Hiuga	31,260

Ise	31,260
Yamashiro	30,600
Fuso	30,600
Kirishima	27,500
Haruna	27,500
Hiyei	27,500
Kongo	27,500
Total tonnage	<u>301,320</u>

Partt2. Rules For Scrapping Vessels of War

The following rules shall be observed for the scrapping of vessels of war which are to be disposed of in accordance with Articles II and III.

I. A vessel to be scrapped must be placed in such condition that it cannot be put to combatant use.

II. This result must be finally effected in any of the following ways:

(a) Permanent sinking of the vessel;

(b) Breaking the vessel up. This shall always involve the destruction or removal of all machinery, boilers and armour, and all deck, side and bottom plating;

(c) Converting the vessel to target use exclusively. In such case all the provisions of paragraph III of this part, except subparagraph (6), in so far as may be necessary to enable the ship to be used as a mobile target, and except sub-paragraph (7), must be previously complied with. Not more than one capital ship may be retained for this purpose at one time by any of the contracting powers.

(d) Of the capital ships which would otherwise be scrapped under the present treaty in or after the year 1931, France and Italy may each retain two seagoing vessels for training purposes exclusively, that is, as gunnery or torpedo schools. The two vessels retained by France shall be of the Jean Bart class, and of those retained by Italy one shall

be the Dante Alighieri and the other of the Giulio Cesare class. On retaining these ships for the purpose above stated, France and Italy respectively undertake to remove and destroy their conning-towers, and not to use the said ships as vessels of war.

III. (a) Subject to the special exceptions contained in Article IX, when a vessel is due for scrapping, the first stage of scrapping, which consists in rendering a ship incapable of further warlike service, shall be immediately undertaken.

(b) A vessel shall be considered incapable of further warlike service when there shall have been removed and landed, or else destroyed in the ship:

~~2~~ (1) All guns and essential portions of guns, fire-control tops and revolving parts of all barbettes and turrets;

(2) All machinery for working hydraulic or electric mountings;

(3) All fire-control instruments and range-finders;

(4) All ammunition, explosives and mines;

(5) All torpedoes, war-heads and torpedo tubes;

(6) All wireless telegraphy installations;

(7) The conning tower and all side armour, or alternatively all main propelling machinery; and

(8) All landing and flying-off platforms and all other aviation accessories.

IV. The periods in which scrapping of vessels is to be effected are as follows:

(a) In the case of vessels to be scrapped under the first paragraph of Article II, the work of rendering the vessels incapable of further warlike service, in accordance with paragraph III of this part, shall be completed within six months from the coming into force of the present treaty, and the scrapping shall be finally effected within eighteen months from such coming into force.

(b) In the case of vessels to be scrapped under the second and third paragraphs of Article II, or under Article III, the work of rendering the vessel incapable of further warlike service in accordance with paragraph III of this part shall be commenced not later than the date of completion of its successor, and shall be finished within six months from the date of such completion. The vessel shall be finally scrapped, in accordance with paragraph II of this part, within eighteen months from the date of completion of its successor. If, however, the completion of the new vessel be delayed, then the work of rendering the old vessel incapable of further warlike service, in accordance with paragraph III of this part shall be commenced within four years from the laying of the keel of the new vessel, and shall be finished within six months from the date on which such work was commenced, and the old vessel shall be finally scrapped in accordance with paragraph II of this part within eighteen months from the date when the work of rendering it incapable of further warlike service was commenced.

Part 3. Replacement

The replacement of capital ships and aircraft carriers shall take place according to the rules in Section I and the tables in Section II of this part.

Section I. Rules for Replacement

(a) Capital ships and aircraft carriers twenty years after the date of their completion may, except as otherwise provided in Article VIII and in the tables in Section II of this part, be replaced by new construction, but within the limits prescribed in Article IV and Article VII. The keels of such new construction may, except as otherwise provided in Article VIII and in the tables in Section II of this part, be laid down not earlier than seventeen years from the date of completion of the tonnage to be replaced, provided, however, that no capital-ship tonnage, with the exception of the ships referred to in the third paragraph of Article II, and the replacement tonnage specifically mentioned in

Section II of this part, shall be laid down until ten years from November 12, 1921.

(b) Each of the contracting powers shall communicate promptly to each of the other contracting powers the following information:

(1) The names of the capital ships and aircraft carriers to be replaced^d_^ by new construction;

(2) The date of governmental authorization of replacement tonnage;

(3) The date of laying keels of replacement tonnage;

(4) The standard displacement in tons and metric tons of each new ship to be laid down, and the principal dimensions, namely, length at waterline, extreme beam at or below waterline, mean draft at standard displacement;

(5) The date of completion of each new ship and its standard displacement in tons and metric tons, and the principal dimensions, namely, length at waterline, extreme beam at or below waterline, mean draft at standard displacement, at time of completion.

(c) In case of loss or accidental destruction of capital ships or aircraft carriers, they may immediately be replaced by new construction subject to the tonnage limits prescribed in Articles IV and VII and in conformity with the other provisions of the present treaty, the regular replacement program, being deemed to be advanced to that extent.

(d) No retained capital ships or aircraft carriers shall be reconstructed except for the purpose of providing means of defence against air and submarine attack, and subject to the following rules: The contracting powers may, for that purpose, equip existing tonnage with bulge or blister or anti-air attack deck protection, providing the increase of displacement thus effected does not exceed 3,000 tons (3,048 metric tons) displacement for each ship. No alterations in side armour, in caliber, number or general type of mounting of main armament shall be permitted except:

(1) In the case of France and Italy, which countries within the limits allowed for bulge may increase their armour protection and the caliber of the guns now carried on their existing capital ships so as not to exceed 16 inches (406 millimeters) and;

(2) The British Empire shall be permitted to complete, in the case of the Renown, the alterations to armour that have already been commenced but temporarily suspended.

Section II. Replacement and Scrapping of Capital Ships

United States

Year	Ships Laid Down	Ships Completed	Ships Scrapped Age in Parentheses	Summary of Ships Retained	
				Pre- Jutland	Post Jutland
			Maine (20), Missouri (20), Virginia (17), Nebraska (17), Georgia (17), New Jersey (17)	17	1
			Rhode Island (17) Connecticut (17), Louisiana (17), Vermont (16), Kansas (16), Minnesota (16), South Carolina (13), Michigan (13), Washington (0), South Dakota (0), Indiana (0), Montana (0), North Carolina (0), Iowa (0), Massachusetts (0), Lexington (0), Constitution (0), Constellation (0), Saratoga (0), Ranger (0), United States (0), Delaware (12), North Dakota (12)	15	3
1922		A, B†		15	3
1923				15	3
1924				15	3
1924				15	3
1925				15	3
1926				15	3
1927				15	3

United States

Year	Ships Laid Down	Ships Completed	Ships Scrapped Age in Parentheses	Summary of Ships Retained	
				Pre- Jutland	Post- Jutland
1929				15	3
1930				15	3
1931	C, D			15	3
1932	E, F			15	3
1933	G			15	3
1934	H, I	C, D	Florida (23), Utah (23), Wyoming (22)	12	5
1935	J	E, F	Arkansas (23) Texas (21) New York (21)	9	7
1936	K, L	G	Nevada (20) Oklahoma (20)	7	8
1937	M	H, I	Arizona (21) Pennsylvania (21)	5	10
1938	N, O	J	Mississippi (21)	4	11
1931	P, Q	K, L	New Mexico (21) Idaho (20)	2	13
1940		M	Tennessee (20)	1	14
1941		N, O	California (20) Maryland (20)	0	15
1942		P, Q	2 ships of West Virginia class	0	15

* The United States may retain the Oregon and Illinois, for non-combatant purposes, after complying with the provisions of Part 2, III, (b).

† Two West Virginia class.

Note A, B, C, D, etc. represent individual capital ships of 35,000 tons standard displacement, laid down and completed in the years specified.

British Empire

Year	Ships Laid Down	Ships Completed	Ships Scrapped Age in Parentheses	Summary of Ships Retained	
				Pre-Jutland	Post-Jutland
			Commonwealth (16) Agamemnon (13), Dreadnought (15), Bellerophon (12), St. Vincent (11), Inflexible (13), Superb (12), Neptune (10), Hercules (10), Indomitable (13), Temeraire (12), New Zealand (10), (9), Lion (9), Princess Royal (9), Conqueror (9), Monarch (9), Orion (9), Australia (8), Agincourt (7), Erin (7), 4 building or projected.	21	1
1922	A, B†			21	1
1923				21	1
1924				21	1
1925		A, B	King George V (13), Ajax (12), Centurion (12), Thunderer (13)	17	3
1926				17	3
1927				17	3
1928				17	3
1929				17	3
1930				17	3
1931	C, D			17	3
1932	E, F			17	3
1933	G			17	3
1934	H, I	C, D	Iron Duke (20), Marlborough (20), Emperor of India (20), Benbow (20).	13	5
1935	J	E, F	Tiger (21), Queen Elizabeth (20), Warspite (20), Barham (20)	9	7
1936	K, L	G	Malaya (20), Royal Sovereign (20)	7	8
1937	M	H, I	Revenge (21), Resolution (21)	5	10
1938	N, O	J	Royal Oak (22)	4	11
1939	P, Q	K, L	Valiant (23), Repulse (23), Renown (24)	2	13
1940		M	Ramillies (24)	0	14
1941		N, O	Hood (21)	0	15
1942		P, Q	A (17), B (17)	0	15

British Empire

Year	Ships Laid Down	Ships Completed	Ships Scrapped Age in Parentheses	Summary of Ships Retained	
				Pre-Jutland	Post-Jutland
1940		M	Renown (24)	4	11
1941		N, O	Ramillies (24)	4	11
			Good (21)	0	13
1942		P, Q	A (14) B (17)	0	15

* The British Empire may retain the Colossus and Collingwood for non-combatant purposes, after complying with the provisions of Part 2, III, (b).

† Two 35,000-ton ships, standard displacement.

Note. A, B, C, D, etc. represent individual capital ships of 35,000 tons standard displacement laid down and completed in the years specified.

France

Year	Ships Laid Down	Ships Completed	Ships Scrapped Age in Parentheses	Summary of Ships Retained	
				Pre-Jutland	Post-Jutland
1922				7	0
1923				7	0
1924				7	0
1925				7	0
1926				7	0
1927	35,000 tons			7	0
1928				7	0
1929	35,000 tons			7	0
1930		35,000 tons	Jean Bart (17) Courbet (17)	5	(*)
1931	35,000 tons			5	(*)
1932	35,000 tons	35,000 tons	France (18)	4	(*)
1933	35,000 tons			4	(*)
1934		35,000 tons	Paris (20) Bretagne (20)	2	(*)
1935		35,000 tons	Provence (20)	1	(*)
1936		35,000 tons	Lorraine (20)	0	(*)
1937				0	(*)
1938				0	(*)
1939				0	(*)
1940				0	(*)
1941				0	(*)
1942				0	(*)

(*) Within tonnage limitations; number not fixed.

Note. France expressly reserves the right of employing the capital-ship tonnage allotment as she may consider advisable, subject solely to the limitations that the displacement of individual ships should not surpass 35,000 tons, and that the total capital-ship tonnage should keep within the limits imposed by the present treaty.

Italy

Year	Ships Laid Down	Ships Completed	Ships Scrapped Age in Parentheses	Summary of	
				Ships Pre- Jutland	Retained Post- Jutland
1922				6	0
1923				6	0
1924				6	0
1925				6	0
1926				6	0
1927	35,000 tons			6	0
1928				6	0
1929	35,000 tons			6	0
1930				6	0
1931	35,000 tons	35,000 tons	Dante Alighieri (19)	5	(*)
1932	45,000			5	(*)
1933	25,000 tons	35,000 tons	Leonardo da Vinci (19)	4	(*)
1934				4	(*)
1935		35,000 tons	Giulio Cesare (21)	3	(*)
1936		45,000 tons	Conte di Cavour (21)	2	(*)
			Duilio (21)	1	(*)
1937		25,000 tons	Andrea Doria (21)	0	(*)

(*) Within tonnage limitations; number not fixed.

Note. Italy expressly reserves the right of employing the capital-ship tonnage allotment as she may consider advisable, subject to the limitations that the displacement of individual ships should not surpass 35,000 tons, and the total capital-ship tonnage should keep within the limits imposed by the present treaty.

Japan

Year	Ships Laid Down	Ships completed	Ships Scrapped Age in Parentheses	Summary of	
				Ships Pre- Jutland	Retained Post- Jutland
			Hizen (20), Mikasa (20), Kashima (16), Katori (16), Satsuma (12), Aki (11), Settsu (10), Ikoma (14), Ibuki (12), Kurama (11), Amagi (0), Akagi (0), Kaga (0), Tosa (0), Ta- kao (0), Atago (0), Pro- jected program 8 ships not laid down. *		
1922				8	2
1923				8	2
1924				8	2
1925				8	2
1926				8	2
1927				8	2
1928				8	2
1929				8	2
1930				8	2
1931	A			8	2
1932	B			8	2

Japan

Year	Ships Laid Down	Ships Completed	Ships Scrapped Age in Parentheses	Summary of Ships Retained	
				Pre-Jutland	Post Jutland
1933	C			8	2
1934	D	A	Kongo (21)	7	3
1935	E	B	Hiyei (21), Haruna (20)	5	4
1936	F	C	Kirishima (21)	4	5
1937	G	D	Fuso (22)	3	6
1938	H	E	Yamashiro (22)	2	7
1939	I	F	Ise (22)	1	8
1940		G	Hiuga (22)	0	9
1941		H	Nagato (21)	0	9
1942		I	Mutsu (21)	0	9

★ Japan may retain the Shikishima and Asahi for non-combatant purposes, after complying with the provisions of Part 2, III, (b).

Note. A, B, C, D, etc, represent individual capital ships of 35,000 tons standard displacement, laid down and completed in the years specified.

Note. Applicable to All the Tables in Section II

The order above prescribed in which ships are to be scrapped is in accordance with their age. It is understood that when replacement begins according to the foregoing tables the order of scrapping ⁱⁿ the case of the ships of each of the contracting powers may be varied at its option; provided, however, that such power shall scrap in each year the number of ships above stated.

Part 4. Definitions

For the purposes of the present treaty, the following expressions are to be understood in the sense defined in this part.

Capital ship-- A capital ship, in the case of ships hereafter built, is defined as a vessel of war, not an aircraft-carrier, whose displacement exceeds 10,000 tons (10,160 metric tons) standard displacement, or which carries a gun with a caliber exceeding 8 inches (203 millimeters).

Aircraft-carrier -- An aircraft-carrier is defined as a vessel of war with a displacement in excess of 10,000 tons (10,160 metric tons) standard displacement designed for the specific and exclusive purpose of carrying aircraft. It must be so constructed that air-craft can be launched therefrom and landed thereon, and not designed and constructed for carrying a more powerful armament than that allowed to it under Article IX or Article X as the case may be.

Standard displacement --The standard displacement of a ship is the displacement of the ship complete, fully manned, engined and equipped ready for sea, including all armament and ammunition, equipment, outfit, provisions and fresh water for crew, miscellaneous stores and implements of every description that are intended to be carried in war, but without fuel or reserve feed water on board.

The word "ton" in the present treaty, except in the expression "metric tons", shall be understood to mean the ton of 2,240 pounds (1,016 kilos).

Vessels now completed shall retain their present ratings of displacement tonnage in accordance with their national system of measurement. However, a power expressing displacement in metric tons shall be considered for the application of the present treaty as owning only the equivalent displacement in tons of 2,240 pounds.

A vessel completed hereafter shall be rated at its displacement tonnage when in the standard condition defined herein ~~herein~~.

Chapter III. Miscellaneous Provisions.

Article XXI. If during the term of the present treaty the requirements of the national security of any contracting power in respect to naval defence are, in the opinion of that power, materially affected by any change of circumstances, the contracting powers will, at the request of such power, meet in conference with a view to the reconsideration of the provisions ~~of the treaty~~ of the treaty and its amendment by mutual agreement.

In view of possible technical and scientific developments, the United States, after consultation with the other contracting powers, shall arrange for a conference of all the contracting powers, which shall convene as soon as possible after the expiration of eight years from the coming into force of the present treaty to consider what changes, if any, in the treaty may be necessary to meet such developments.

Article XXII. Whenever any contracting power shall become engaged in a war which in its opinion affects the naval defence of its national security, such power may after notice to the other contracting powers suspend for the period of hostilities its obligations under the present treaty other than those under Articles VIII and XVII, provided that such power shall notify the other contract-

ing powers that the emergency is of such a character as to require such suspension.

The remaining contracting powers shall in such case consult together with a view to agreement as to what temporary modifications, if any, should be made in the treaty as between themselves. Should such consultation not produce agreement, duly made in accordance with the constitutional methods of the respective powers, any one of the said contracting powers may, by giving notice to the other contracting powers, suspend for the period of hostilities its^o obligations under the present treaty, other than those under Articles XIII and XVII.

On the cessation of hostilities the contracting powers will meet in conference to consider what modifications, if any, should be made in the provisions of the present treaty.

Article XXIII. The present treaty shall remain in force until December 31, 1936, and in case none of the contracting powers shall have given notice two years before that date of its intention to terminate the treaty, it shall continue in force until the expiration of two years from the date on which notice of termination shall be given by one of the contracting powers, whereupon the treaty shall terminate as regards all the contracting powers. Such notice shall be communicated in writing to the government of the United States, which shall immediately transmit a certified copy of the notification to the other powers and inform them of the date on which it was received. The notice shall be deemed to have been given and shall take effect on that date. In the event of notice of termination being given by the government of the United States, such notice shall be given to the diplomatic representatives at Washington of the other contracting powers, and the notice shall be deemed to have been given and shall take effect on the date of the communication made to the said diplomatic representatives.

Within one year of the date on which a notice of termination by any power has taken effect, all the contracting powers shall meet in conference.

Article XXIV. The present treaty shall be ratified by the contracting powers in accordance with their respective constitutional methods and shall take effect on the date of the deposit of all the ratifications, which shall take place at Washington as soon as possible. The government of the United States

will transmit to the other contracting powers a certified copy of the process-verbal of the deposit of ratifications.

The present treaty, of which the French and English texts are both authentic, shall remain deposited in the archives of the government of the United States, and duly certified copies thereof shall be transmitted by that government to the other contracting powers.

In faith whereof the above named plenipotentiaries have signed the present treaty.

Done at the city of Washington the sixth day of February , one thousand nine hundred and twenty-two.

Appendix III.

A Treaty in Relation to the Use of Submarines and Noxious Gases
In Warfare.

The United States of America, the British Empire, France, Italy, and Japan, hereinafter referred to as the signatory powers, desiring to make more effective the rules adopted by civilized nations for the protection of the lives of neutrals and noncombatants at sea in time of war, and to prevent the use in war of noxious gases and chemicals, have determined to conclude a treaty to this effect, and have appointed as their plenipotentiaries:

(Here follows a list of delegates.)

Who, having communicated their full powers, found in good and due form, have agreed as follows:

Article I. -- The signatory powers declare that among the rules adopted by civilized nations for the protection of ^the lives of neutrals and noncombatants at sea in time of war, the following are to be deemed an established part of international law:

1. A merchant vessel must be ordered to submit to ^{visit} and search to determine its character before it can be seized.

A merchant vessel must not be attacked unless it refuse to submit to ^{visit} and search after warning, ~~or to proceed as directed after seizure.~~

A merchant vessel must not be destroyed unless the crew and passengers have been first placed in safety.

2. Belligerent submarines are not under any circumstances exempt from the universal rules above stated; and if a submarine cannot capture a merchant vessel in conformity with these rules, the existing law of nations requires it to desist from attack and from seizure and to permit the merchant vessel to proceed unmolested.

Article II. -- The signatory powers invite all other civilized powers to express their assent to the foregoing statement of established law, so that there may be a clear public understanding throughout the world of the standards of conduct by

which the public opinion of the world is to pass judgment upon future belligerents.

Article III. --The Signatory Powers, desiring to insure the enforcement of the humane rules of existing law declared by them with respect to attacks upon and the seizure and destruction of merchant ships, further declare that any person in the service of any power who shall violate any of those rules, whether or not such person is under orders of a governmental superior, shall be deemed to have violated the laws of war and shall be liable to trial and punishment as if for an act of piracy and may be brought to trial before the civil or military authorities of any power within the jurisdiction of which he may be found.

Article IV.-- The signatory powers recognize the practical impossibility of using submarines as commerce destroyers without violating, as they were violated in the recent war of 1914-1918, the requirements universally accepted by civilized nations for the protection of the lives of neutrals and noncombatants, and to the end that the prohibition of the use of submarines as commerce destroyers shall be universally accepted as a part of the law of nations they now accept that prohibition as henceforth binding as between themselves and they invite all other nations to adhere thereto.

Article V. -- The use in war of asphyxiating, poisonous, or other gases, and all analogous liquids, materials, and/or devices having been justly condemned by the general opinion of the civilized world and a prohibition of such use having been declared in treaties to which a majority of the civilized powers are parties;

The signatory powers, to the end that this prohibition shall be universally accepted as a part of international law binding alike the conscience and practice of nations, declare their assent to such prohibition, agree to be bound thereby as between themselves, and invite all other civilized nations to adhere thereto.

Article VI. -- The present treaty shall be ratified as soon as possible in accordance with the constitutional methods of the signatory powers and shall take effect on the deposit of all the ratifications, which shall take place at Washington.

The government of the United States will transmit to all the signatory powers

a certified copy of the proces-verbal of the deposit of the ratifications.

The present treaty, of which the French and English texts are both authentic, shall remain deposited in the archives of the Government of the United States, and duly certified copies thereof will be transmitted by that government to each of the signatory powers.

Article VII. -- The government of the United States will further transmit to each of the non-signatory powers a duly certified copy of the present treaty and invite its adherence thereto.

Any non-signatory power may adhere to the present treaty by communicating an instrument of adherence to the government of the United States, which will thereupon transmit to each of the signatory and adhering powers a certified copy of each instrument of adherence.

In faith whereof, the above-named ^d plenipotentiaries have signed the present Treaty.

Done at the city of Washington, the sixth day of February , one thousand nine hundred and twenty-two.

Four Power Pacific Treaty.

The United States of America, the British Empire, France, and Japan with a view to the preservation of the general peace and the maintenance of their rights in relation to their insular possessions and insular dominions in the region of the Pacific ocean have determined to conclude a treaty to this effect and have appointed as their plenipotentiaries (here are enumerated the names of the delegates), who having communicated their full powers, found in good and due form, have agreed as follows:

I. The high contracting parties agree as between themselves to respect their rights in relation to their insular possessions and insular dominions in the region of the Pacific Ocean.

If there should develop between ~~any~~ of the high contracting parties a controversy arising out of any Pacific question and involving their said rights which is not satisfactorily settled by diplomacy and is likely to affect the harmonious accord now happily subsisting between them, they shall invite the other high contracting parties to a joint conference to which the whole subject will be referred for consideration and adjustment.

II. If the said rights are threatened by the aggressive action of any other power, the high contracting parties shall communicate with one another ^{at} fully and frankly in order to arrive ~~at~~ an understanding as to the most efficient measures to be taken, jointly or separately, to meet the exigencies of the particular situation.

III. This treaty shall remain in force for ten years from the time it shall take effect, and after the expiration of said period it shall continue to be in force subject to the right of any of the high contracting parties to terminate it upon twelve months' notice.

IV. This treaty shall be ratified as soon as possible in accordance with the constitutional methods of the high contracting parties and shall take effect on the deposit of ratifications, which shall take place at Washington, and thereupon the agreement between Great Britain and Japan, which was concluded at London

on July 13, 1911, shall terminate. The government of the United States will transmit to all the signatory powers a certified copy of the ~~proces~~-verbal of the deposit of ratifications.

The present treaty, in French and in English, shall remain deposited in the archives of the government of the United States and duly certified copies thereof will be transmitted by that government to each of the signatory powers.

In faith whereof the above-name^d plenipotentiaries have signed the present treaty.

Done at the City of Washington, the thirteenth day of December, one thousand nine hundred and twenty-one.

Appendix V.

Reservations to the Four Power Pacific Treaty

In signing the treaty this day between the United States of America, the British Empire, France and Japan, it is declared to be the understanding and intent of the signatory powers:

1. That the treaty shall apply to the mandated islands in the Pacific ocean; provided, however, that the making of the treaty shall not be deemed to be an assent on the part of the United States of America to the mandates and shall not preclude agreements between the United States and the mandatory powers, respectively in relation to the mandated islands.

2. That the controversy to which the second paragraph of Article I refers shall not be taken to embrace questions which, according to principles of international law, lie exclusively within the domestic jurisdiction of the respective powers.

Appendix VI.

Supplement to the Four Power Treaty

The United States of America, the British Empire, France and Japan have, through their respective plenipotentiaries, agreed upon the following stipulation supplementary to the quadruple treaty signed at Washington on December 13, 1921:-

The term "insular possessions and insular dominions" used in the aforesaid treaty shall, in its application to Japan, include only Karafuto(or the southern portion of the island of Sakhalin), Formosa and the Pescadores and the islands under the mandate of Japan.

The present agreement shall have the same force and effect as the said treaty to which it is supplementary.

The provision of Article IV of the aforesaid treaty of December 13, 1921, relating to ratification shall be applicable to the present agreement, which, in French and English, shall remain deposited in the archives of the government of the United States, and duly certified copies thereof shall be transmitted by that government to each of the other contracting powers.

In faith thereof the respective plenipotentiaries have signed the present agreement.

Done at the City of Washington, the sixth day of February one thousand nine hundred and twenty-two.

Text of American Note Sent to Holland and Portugal in re Four

Power Pacific Treaty.

The United States of America have concluded on December 13, 1921, with the British Empire, France and Japan, a treaty, with a view to the preservation of the general peace and the maintenance of their rights in relation to their insular possessions and insular dominions in the region of the Pacific ocean. They have agreed thereby as between themselves to respect their rights in relation to these possessions and dominions.

The Netherlands not being signatory to the said treaty and the Netherlands possessions in the region of the Pacific ocean therefore not being included in the agreement referred to, the Government of the United States of America, anxious to forestall any conclusion contrary to the spirit of the treaty, desires to declare that it is firmly resolved to respect the rights of the Netherlands in relation to their insular possessions in the region of the Pacific ocean.

The Nine-Power Open Door Treaty.

The United States of America, Belgium, the British Empire, China, France, Italy, Japan, the Netherlands, and Portugal:

Desiring to adopt a policy designed to stabilize conditions in the Far East, to safeguard the rights and interests of China, and to promote intercourse between China and the other powers upon the basis of equality of opportunity:

Have resolved to conclude a treaty for that purpose and to that end have appointed as their respective plenipotentiaries;

(List of delegates.)

Who, having communicated to each other their full powers, found to be in good and due form, have agreed as follows:

Article I. The contracting powers, other than China, agree:

(1) To respect the sovereignty, the independence, and the territorial and administrative integrity of China;

(2) To provide the fullest and most unembarrassed opportunity to China to develop and maintain for herself an effective and stable government;

(3) To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China;

(4) To refrain from taking advantage of conditions in China in order to seek special privileges which would abridge the rights of subjects or citizens of friendly states, and from countenancing action inimical to the security of such states.

Article II. The contracting powers agree not to enter into any treaty, agreement, arrangement, or understanding, either with one another, or, individually or collectively, with any power or powers, which would infringe or impair the principles stated in Article I.

Article III. With a view to applying more effectually the principles of the open door or equality of opportunity in China for the trade and industry of all nations, the contracting powers, other than China, agree that they will

~~will~~ not seek, nor support their respective nationals in seeking:

(a) Any arrangement which might purport to establish in favor of their interests any general superiority of rights with respect to commercial or economic development in any designated region of China; T₂

(b) Any such monopoly or preference as would deprive the nationals of any other power of the right of undertaking any legitimate trade or industry in China, or of participating with the Chinese government, or with any local authority, in any category of public enterprise, or which by reason of its scope, duration, or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.

It is understood that the foregoing stipulations of this article are not to be so construed as to prohibit the acquisition of such properties or rights as may be necessary to the conduct of a particular commercial, industrial, or financial undertaking or to the encouragement of invention and research.

China undertakes to be guided by the principles stated in the foregoing stipulations of this article in dealing with applications for economic rights and privileges from governments and nationals of all foreign countries, whether parties to the present treaty or not.

Article IV. The contracting powers agree not to support any agreements by their respective nationals with each other designed to create spheres of influence or to provide for the enjoyment of mutually exclusive opportunities in designated parts of Chinese territory.

Article V. China agrees that, throughout the whole of the railways in China, she will not exercise or permit unfair discrimination of any kind. In particular there shall be no discrimination whatever, direct or indirect, in respect of charges or of facilities on the ground of the nationality of passengers or the countries from which or to which they are proceeding, or the origin or ownership of goods or the country from which or to which they are consigned, or the nationality or ownership of the ship or other means of conveying such passengers or goods before or after their transport on the Chinese

(concluded from page 39)

Done at the city of Washington the sixth day of February, one thousand nine hundred and twenty-two.

Appendix IX

The Chinese Tariff Treaty.

The United States of America, Belgium, the British Empire, China, France, Italy, Japan, The Netherlands, and Portugal;

With a view to increasing the revenues of the Chinese government, have resolved to conclude a treaty relating to the revision of the Chinese customs tariff and cognate matters, and to that end have appointed as their plenipotentiaries:

(List of Delegates)

Who, having communicated to each other their full powers, found to be in good and due form, have agreed as follows:

Article I. The representatives of the contracting powers having adopted, on the fourth day of February, 1922, in the city of Washington, a resolution, which is appended as an annex to this article, with respect to the revision of Chinese customs duties, for the purpose of making such duties equivalent to an effective five per centum ad valorem, in accordance with existing treaties concluded by China with other nations, the contracting powers hereby confirm the said resolution and undertake to accept the tariff rates fixed as a result

of such revision. The said tariff rates shall become effective as soon as possible but not earlier than two months after publication thereof.

Annex. With a view to providing additional revenue to meet the needs of the Chinese government, the powers represented at this conference, namely, the United States of America, Belgium, the British Empire, China, France, Italy, Japan, The Netherlands, and Portugal, agree:

That the customs schedule of duties on imports into China adopted by the Tariff Revision Commission at Shanghai on December 19, 1918, shall forthwith be revised so that the rates of duty shall be equivalent to five per cent effective, as provided for in the several commercial treaties to which China is a party.

A revision commission shall meet at Shanghai, at the earliest practicable date, to effect this revision forthwith and on the general lines of the last revision.

This commission shall be composed of representatives of the powers above named and of representatives of any additional powers having governments at present recognized by the powers represented at this conference and who have treaties with China providing for a tariff on imports and exports not to exceed five per cent, ad valorem and who desire to participate therein.

The revision shall proceed as rapidly as possible with a view to its completion within four months from the date of the adoption of this resolution by the Conference on the Limitation of Armament and Pacific and Far Eastern Questions.

The revised tariff shall become effective as soon as possible but not earlier than two months after its publication by the revision commission.

The government of the United States, as convener of the present conference, is requested forthwith to communicate the terms of this resolution to the governments of powers not represented at this conference, but who participated in the revision of 1918, aforesaid.

Article II. Immediate steps shall be taken, through a special conference,

to prepare the way for the speedy abolition of likin and for the fulfillment of the other conditions laid down in Article VIII of the treaty of September 5, 1902, between Great Britain and China, in Articles IV and V of the treaty of October 8, 1903, between the United States and China, and in Article I of the supplementary treaty of October 8, 1903 between Japan and China, with a view to levying the surtaxes provided for in those articles.

The special conference shall be composed of representatives of the signatory powers, and of such other powers as may desire to participate and may adhere to the present treaty, in accordance with the provisions of Article VIII, in sufficient time to allow their representatives to take part. It shall meet in China within three months after the coming into force of the present treaty, on a day and at a place to be designated by the Chinese government.

Article III. The special conference provided for in Article II shall consider the interim provisions to be applied prior to the abolition of likin and the fulfillment of the other conditions laid down in the articles of the treaties mentioned in Article II; and it shall authorize the levying of a surtax on dutiable imports as from such date, for such purposes, and subject to such conditions as it may determine.

The surtax shall be at a uniform rate of two and one half per centum ad valorem, provided, that in the case of certain articles of luxury which, in the opinion of the special conference, can bear a greater increase without unduly impeding trade, the total surtax may be increased, but may not exceed five per centum ad valorem.

Article IV. Following the immediate revision of the customs schedule of duties on imports into China, mentioned in Article I, there shall be a further revision thereof to take effect at the expiration of four years following the completion of the aforesaid immediate revision, in order to ensure that the customs duties shall correspond to the ad valorem rates fixed by the special conference provided for in Article II.

Following this further revision there shall be, for the same purpose, periodical revisions of the customs schedule of duties on imports into China

every seven years, in lieu of the decennial revision authorized by existing treaties with China.

In order to prevent delay, any revision made in pursuance of this article shall be effected in accordance with rules to be prescribed by the special conference provided for in Article II.

Article V. In all matters relating to customs duties there shall be effective equality of treatment and opportunity for all the contracting powers.

Article VI. The principle of uniformity in the rates of customs duties levied at all the land and maritime frontiers of China is hereby recognized. The special conference provided for in Article II shall make arrangements to give practical effect to this principle; and it is authorized to make equitable adjustments in those cases in which a customs privilege to be abolished was granted in return for some local economic advantage .

In the meantime, any increase in the rates of customs duties resulting from tariff revision, or any surtax hereafter imposed in pursuance of the present treaty, shall be levied at a uniform rate ad valorem at all land and maritime frontiers of China.

Article VII. The charge for transit passes shall be at the rate of two and one half per centum ad valorem until the arrangements provided for by Article II come into force.

Article VIII. Powers not signatory to the present treaty whose governments are at present recognized by the signatory powers, and whose present treaties with China provide for a tariff on imports and exports not to exceed five per centum ad valorem, shall be invited to adhere to the present treaty.

The government of the United States undertakes to make the necessary communications for this purpose and to inform the governments of the contracting powers of the replies received. Adherence by any power shall become effective on receipt of notice thereof by the government of the United States.

Article IX. The provisions of the present treaty shall override all stipulations of treaties between China and the respective contracting powers which are inconsistent therewith, other than stipulations according most-

favoured-nation treatment.

Article X. The present treaty shall be ratified by the contracting powers in accordance with their respective constitutional methods and shall take effect on the date of the deposit of all the ratifications, which shall take place at Washington as soon as possible. The government of the United States will transmit to the other contracting powers a certified copy of the process-verbal of the deposit of ratifications.

The present treaty, of which the English and French texts are both authentic, shall remain deposited in the archives of the government of the United States, and duly certified copies thereof shall be transmitted by that government to the other contracting powers.

In faith whereof the above-named plenipotentiaries have signed the present treaty.

Done at the city of Washington on the sixth day of February, one thousand nine hundred and twenty-two.

Shantung Treaty.

Japan and China, being equally animated by a sincere desire to settle amicably and in accordance with their common interest outstanding questions relative to Shantung, have resolved to conclude a treaty for the settlement of such questions, and have to that end named as their plenipotentiaries, that is to say:

(list of delegates)

Who, having communicated to each other their respective full powers, found to be in good and due form, have agreed upon the following articles:

Section I. Restoration of the Former German Leased Territory of Kiaochow.

Article I. Japan shall restore to China the former German leased territory of Kiaochow.

Article II. The government of Japan and the government of the Chinese republic shall each appoint three commissioners to form a joint commission, with powers to make and carry out detailed arrangements relating to the transfer of the administration of the former German leased territory of Kiaochow and to the transfer of public properties in the said territory and to settle other matters likewise requiring adjustment.

For such purposes, the joint commission shall meet immediately upon the coming into force of the present treaty.

Article III. The transfer of the administration of the former German Leased territory of Kiaochow and the transfer of public properties in the said territory, as well as the adjustment of other matters under the preceding articles, shall be completed as soon as possible, and, in any case, not later than six months from the date of the coming into force of the present treaty.

Article IV. The government of Japan undertakes to hand over to the government of the Chinese republic, upon the transfer to China of the administration of the former German leased territory of Kiaochow, such archives, registers, plans, title-deeds and other documents in the possession of Japan, or certified

as well as those that may be useful for the subsequent administration by China of the said territory and of the fifty-kilometer zone around Kiaochow bay.

Section II. Transfer of Public Properties.

Article V. The government of Japan undertakes to transfer to the government of the Chinese republic all public properties, including land, buildings, works or establishments in the former German leased territory of Kiaochow, whether formerly possessed by the German authorities, or purchased or constructed by the Japanese authorities, during the period of the Japanese administration of the said territory, except those indicated in Article VII of the present treaty.

Article VI. In the transfer of public properties under the preceding article, no compensation will be claimed from the government of the Chinese republic: Provided, however, that for those purchased or constructed by the Japanese authorities, and also for the improvements on or additions to those formerly possessed by the German authorities, the government of the Chinese republic shall refund a fair and equitable proportion of the expenses actually incurred by the government of Japan, having regard to the principle of depreciation and continuing value.

Article VII. Such public properties in the former German leased territory of Kiaochow as are required for the Japanese consulate to be established at Tsingtao shall be retained by the government of Japan, and those required more especially for the benefit of the Japanese community, including public schools, shrines, and cemeteries, shall be left in the hands of the said community.

Article VIII. Details of the matters referred to in the preceding ~~three~~ articles shall be arranged by the joint commission provided for in Article II of the present treaty.

Section III. Withdrawal of Japanese Troops

Article IX. The Japanese troops, including gendarmes, now stationed along the Tsingtao-Tsinanfu railway and its branches, shall be withdrawn as

soon as the Chinese police or military force shall have been sent to take over the protection of the railway.

Article X. The disposition of the Chinese police or military force and the withdrawal of the Japanese troops under the preceding article may be effected in sections.

The date of the completion of such process for each section shall be arranged in advance between the competent authorities of Japan and China.

The entire withdrawal of such Japanese troops shall be effected within three months, if possible, and in any case, not later than six months, from the date of the signatures of the present treaty.

Article XI. The Japanese garrison at Tsingtao shall be completely withdrawn simultaneously, if possible, with the transfer to China of the administration of the former German leased territory of Kiaochow, and in any case, not later than thirty days from the date of such transfer.

Section IV. Maritime Customs at Tsingtao.

Article XII. The custom house of Tsingtao shall be made an integral part of the Chinese maritime customs upon the coming into force of the present treaty.

Article XIII. The provisional agreement of August 6, 1915, between Japan and China, relating to the reopening of the office of the Chinese Maritime Customs at Tsingtao shall cease to be effective upon the coming into force of the present treaty.

Section V. Tsingtao-Tsinanfu Railway

Article XIV. Japan shall transfer to China the Tsingtao-Tsinanfu railway and its branches, together with all other properties appurtenant thereto, including wharves, warehouses, and other similar properties.

Article XV. China undertakes to reimburse to Japan the actual value of all the railway properties mentioned in the preceding article.

The actual value to be so reimbursed shall consist of the sum of fifty-three million four hundred and six thousand, one hundred and forty-one (53,406,141) gold marks (which is the assessed value of such portion of the said properties

as was left behind by the Germans], or its equivalent, plus the amount which Japan, during her administration of the railway, has actually expended for permanent improvements on or additions to the said properties, less a suitable allowance for depreciation.

It is understood that no charge will be made with respect to the wharves, warehouses, and other similar properties mentioned in the preceding article, except for such permanent improvements on or additions to them as may have been made by Japan, during her administration of the railway, less a suitable allowance for depreciation.

Article XVI. The government of Japan and the government of the Chinese republic shall each appoint three commissioners to form a joint railway commission, with powers to appraise the actual value of the railway properties on the basis defined in the preceding article, and to arrange for the transfer of the said properties.

Article XVII. The transfer of all the railway properties under Article XIV of the present treaty shall be completed as soon as possible, and, in any case, not later than nine months from the date of the coming into force of the present treaty.

Article XVIII. To effect the reimbursement under Article XV of the present treaty, China shall deliver to Japan simultaneously with the completion of the transfer of the railway properties, Chinese government treasury notes, secured on the properties and revenues of the railway, and running for a period of fifteen years, but redeemable, whether in whole or in part, at the option of China, at the end of five years from the date of delivery of the said treasury notes, or at any time thereafter upon six months² previous notice. *(apud)*

Article XIX. Pending the redemption of the said treasury notes under the preceding article, the government of the Chinese republic will select and appoint, for so long a period as any part of the said treasury notes shall remain unredeemed, a Japanese subject to be traffic manager, and another Japanese subject to be chief accountant jointly with the Chinese chief accountant and with co-ordinate functions.

These officials shall all be under the direction of the Japanese government.

of the Chinese managing director, and removable for cause.

Article XX. Financial details of a technical character relating to the said treasury notes, not provided for in this section, shall be determined in common accord between the Japanese and Chinese authorities as soon as possible, and, in any case, not later than six months from the date of the coming into force of the present treaty.

Section VI. Extensions of the Tsingtao-Tsinanfu Railway.

Article XXI. The concession relating to the two extensions of the Tsingtao-Tsinanfu railway, namely, the Tsinanfu-Shunteh and the Kaomi-Hsuehowfu lines, shall be made open to the common activity of an international financial group, on terms to be arranged between the government of the Chinese republic and the said group.

Section VII. Mines.

Article XXII. The mines of Tsechwan, Fangtze, and Chinlingchen, for which the mining rights were formerly granted by China to Germany, shall be handed over to a company to be formed under a special charter of the government of the Chinese republic, in which the amount of Japanese capital shall not exceed that of Chinese capital.

The mode and terms of such arrangement shall be determined by the joint commission provided for in Article II of the present treaty.

Section VIII. Opening of the Former German Leased Territory of Kiaochow,

Article XXIII. The government of Japan declares that it will not seek the establishment of an exclusive Japanese settlement, or of an international settlement, in the former German leased territory of Kiaochow.

The government of the Chinese republic, on its part, declares that the entire area of the former German leased territory of Kiaochow will be open to foreign trade, and that foreign nationals will be permitted freely to reside and carry on commerce, industry, and other lawful pursuits within such area.

Article XXIV. The government of the Chinese republic further declares that vested rights lawfully and equitably acquired by foreign nationals in the former German leased territory of Kiaochow, whether under the German

regime or during the period of the Japanese administration, will be respected.

All questions relating to the status or validity of such vested rights acquired by Japanese subjects or Japanese companies shall be adjusted by the joint commission provided for in Article II of the present treaty.

Section IX. Salt Industry,

Article XXV. Whereas the salt industry is a government monopoly in China, it is agreed that the interests of Japanese subjects or Japanese companies actually engaged in the said industry along the coast of Kiaochow bay shall be purchased by the government of the Chinese republic for fair ^ocompensation, and that the exportation to Japan of a quantity of salt produced by such industry along the said coast is to be permitted on reasonable terms.

Arrangements for the above purposes, including the transfer of the said interests to the government of the Chinese republic, shall be made by the joint commission provided for in Article II of the present treaty. They shall be completed as soon as possible, and, in any case, not later than six months from the date of the coming into force of the present treaty.

Section X. Submarine Cables.

Article XXVI. The government of Japan declares that all the rights, title, and privileges concerning the former German submarine cables between Tsingtao and Chefoo and between Tsingtao and Shanghai are vested in China, with the exception of those portions of the said two cables which have been utilized *by* ~~the~~ the government of Japan for the laying of a cable between Tsingtao and Sasebo; it being understood that the question relating to the landing and operation at Tsingtao of the said Tsingtao-Sasebo cable shall be adjusted by the joint commission provided for in Article II of the present treaty, subject to the terms of the existing contracts to which China is a party.

Section XI. Wireless Stations.

Article XXVII. The government of Japan undertakes to transfer to the government of the Chinese republic the Japanese wireless stations at Tsingtao and Tsinanfu, for fair compensation for the value of these stations, upon the withdrawal of the Japanese troops at the said two places, respectively.

Details of such transfer and compensation shall be arranged by the joint commission provided for in Article II of the present treaty.

Article XXVIII. The present treaty (including the annex thereto) shall be ratified, and the ratifications thereof shall be exchanged at Peking as soon as possible, and not later than **four months** from the date of its signature.

It shall come into force from the date of the exchange of ratifications.

In witness whereof, the respective plenipotentiaries have signed the present treaty in duplicate, in the English language and have affixed thereto their seals.

Done at the city of Washington this fourth day of February, one thousand nine hundred and twenty-two.

ANNEX

I. Renunciation of Preferential Rights.

The government of Japan declares that it renounces all preferential rights with respect to foreign assistance in persons, capital, and material stipulated in the treaty of March 6, 1898, between China and Germany.

II. Transfer of Public Properties.

~~It~~ is understood that public properties to be transferred to the government of the Chinese republic under Article V of the present treaty include (1) all public works, such as roads, water-works, parks, drainage, and sanitary equipment, and (2) all public enterprises such as those relating to telephone, electric light, stock-yard, and laundry.

The government of the Chinese republic declares that in the management and maintenance of public works to be so transferred to the government of the Chinese republic, the foreign community in the former German leased territory of Kiaochow shall have fair representation.

The government of the Chinese republic further declares that, upon taking over the telephone enterprise in the former German leased territory of Kiaochow, it will give due consideration to the requests from the foreign community in the said territory for such extensions and improvements in the telephone enterprise as may be reasonably required by the general interests of the public.

With respect to public enterprises relating to electric light, stockyard and laundry, the government of the Chinese republic, upon taking them over, shall retransfer them to the Chinese municipal authorities of Tsingtao, which shall, in turn, cause commercial companies to be formed under Chinese laws for the management and working of the said enterprises, subject to municipal regulation and supervision.

III. Maritime Customs at Tsingtao.

The government of the Chinese republic declares that it will instruct the Inspector-General of the Chinese maritime customs (1) to permit Japanese traders in the former German leased territory of Kiaochow to communicate in the Japanese language with the custom house of Tsingtao; and (2) to give consideration, within the limits of the established service regulations of the Chinese maritime customs, to the diverse needs of the trade of Tsingtao, in the selection of a suitable staff for the said custom house.

IV. Tsingtao-Tsinanfu Railway.

Should the joint railway commission provided for in Article XVI of the present treaty fail to reach an agreement on any matter within its competence, the point or points at issue shall be taken up by the government of Japan and the government of the Chinese republic for discussion and adjustment by means of diplomacy.

In the determination of such point or points, the government of Japan, and the government of the Chinese republic shall, if necessary, obtain recommendations of experts of a third power or powers who shall be designated in common accord between the two governments.

V. Chefoo-Weihsien Railway.

The government of Japan will not claim that the option for financing the Chefoo-Weihsien railway should be made open to the common activity of the International Financial Consortium, provided that the said railway is to be constructed with Chinese capital.

VI. Opening of the Former German Leased Territory of Kiaochow. ~~XXX~~

The government of the Chinese republic declares that, pending the enactment

railways.

The contracting powers, other than China, assume a corresponding obligation in respect of any of the aforesaid railways over which they or their nationals are in a position to exercise any control in virtue of any concessions, special agreement, or otherwise.

Article VI. The contracting powers, other than China, agree fully to respect China's rights as a neutral in time of war to which China is not a party; and China declares that when she is a neutral, she will observe the obligations of neutrality.

Article VII. The contracting powers agree that, whenever a situation arises which in the opinion of any one of them involves the application of the stipulations of the present treaty, and renders desirable discussion of such application, there shall be full and frank communication between the contracting powers concerned.

Article VIII. Powers not signatory to the present treaty, which have governments recognized by the signatory powers and which have treaty relations with China, shall be invited to adhere to the present treaty. To this end the government of the United States will make the necessary communications to non-signatory powers and will inform the contracting powers of the replies received. Adherence by any power shall become effective on receipt of notice thereof by the government of the United States.

Article IX. The present treaty shall be ratified by the contracting powers in accordance with their respective constitutional methods and shall take effect on the date of the deposit of all the ratifications, which shall take place at Washington as soon as possible. The government of the United States will transmit to the other contracting powers a certified copy of the proces-verbal of the deposit of ratifications.

The present treaty, of which the French and English texts are both authentic, shall remain deposited in the archives of the government of the United States, and duly certified copies thereof shall be transmitted by that government to the other contracting powers.

and general application of laws regulating the system of local self-government in China, the Chinese local authorities will ascertain the views of the foreign residents in the former German leased territory of Kiaochow in such municipal matters as may directly affect their welfare and interests.

Appendix XI.

Yap Treaty

Japan and the United States of America,

Considering that by Article 119 of the treaty of Versailles, signed on June 28, 1919, Germany renounced in favor of the powers described in that treaty as the principal allied and associated powers, to wit, the United States of America, the British Empire, France, Italy and Japan, all her rights and titles over her oversea possessions;

Considering that the benefits accruing to the United States under the abovesaid Article 119 of the treaty of Versailles were confirmed by the treaty between the United States and Germany, signed on August 25, 1921, to restore friendly relations between the two nations;

Considering that the said four powers to wit, the British Empire, France, Italy and Japan have agreed to confer upon his Majesty the Emperor of Japan a mandate, pursuant to the treaty of Versailles, to administer the groups of the former German islands in the Pacific ocean lying north of the equator, in accordance with the following provisions:

"Article 1. The islands over which a mandate is conferred upon His Majesty the Emperor of Japan (hereinafter called the mandatory) comprise all the former German islands situated in the Pacific ocean and lying north of the equator.

"Article 2. The mandatory shall have full power of administration and legislation over the territory subject to the present mandate as an integral portion of the Empire of Japan and may apply the laws of the Empire of Japan to the territory, subject to such local modifications

as circumstances may require.

"The mandatory shall promote to the utmost the material and moral well-being and the social progress of the inhabitants of the territory subject to the present mandate.

"Article 3. The mandatory shall see that the slave trade is prohibited and that no forced labour is permitted, except for essential public works and services, and then only for adequate remuneration.

"The mandatory shall also see that the traffic in arms and ammunition is controlled in accordance with principles analogous to those laid down in the convention relating to the control of the arms traffic, signed on September 10, 1919, or in any convention amending the same.

"The supply of intoxicating spirits and beverages to the natives shall be prohibited.

"Article 4. The military training of the natives, otherwise than for purposes of ⁿinternal police and the local defence of the territory, shall be prohibited. Furthermore, no military or naval bases shall be established or fortifications erected in the territory.

"Article 5. Subject to the provisions of any local law for the maintenance of public order and public morals, the mandatory shall insure in the territory freedom of conscience and the free exercise of all forms of worship, and shall allow all missionaries, nationals of any state member of the League of Nations to enter into, travel, and reside in the territory for the purpose of prosecuting their calling.

h "Article 6. The mandatory shall make to the council of the League of Nations an annual report to the satisfaction of the council, containing full information with regard to the territory, and indicating the measures taken to carry out the obligations assumed under Articles 2,3,4, and 5.

"Article 7. The consent of the council of the League of Nations is required for any modification of the terms of the present mandate.

"The mandatory agrees that, if any dispute ~~whatever~~ should arise between the mandatory and another member of the League of Nations relating

to the interpretation or the application of the provisions of the mandate, such dispute, if it cannot be settled by negotiation, shall be submitted to the permanent court of international justice provided for by Article 14 of the covenant of the League of Nations."

Considering that the United States did not ratify the treaty of Versailles and did not participate in the agreement respecting the aforesaid mandate;

Desiring to reach a definite understanding with regard to the rights of the two governments and their respective nationals in the aforesaid islands, and in particular the island of Yap, have resolved to conclude a convention for that purpose and to that end have named as their plenipotentiaries:

His Majesty the Emperor of Japan: Baron Kijuro Shidehara, His Majesty's ambassador extraordinary and plenipotentiary at Washington; and

The President of the United States of America; Charles Evans Hughes, secretary of state of the United States;

Who, after having communicated to each other their respective full powers, found to be in good and due form, have agreed as follows:

Article I. Subject to the provisions of the present convention, the United States consents to the administration by Japan, pursuant to the aforesaid mandate, of all the former German islands in the Pacific ocean, lying north of the equator.

Article II. The United States and its nationals shall receive all the benefits of the engagements of Japan, defined in Articles 3, 4 and 5 of the aforesaid mandate, notwithstanding the fact that the United States is not a member of the League of Nations.

It is further agreed between the high contracting parties, as follows:

(1) Japan shall insure in the islands complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality; American missionaries of all such religions shall be free to enter the islands and to travel and reside therein, to acquire and possess property, to erect religious buildings and to open schools throughout the islands; it

being understood, however, that Japan shall have the right to exercise such control and good government and to take all measures required for such control.

it may be necessary for the maintenance of public order

(2) Vested American property rights in the mandated islands shall be respected and in no way impaired;

(3) Existing treaties between the United States and Japan shall be applicable to the mandated islands;

(4) Japan will address to the United States a duplicate of the annual report on the administration of the mandate to be made by Japan to the council of the League of Nations.

(5) Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate as recited in the conventions, unless such modification shall have been expressly assented to by the United States.

Article III. The United States and its nationals shall have free access to the island of Yap on a footing of entire equality with Japan or any other nation and their respective nationals in all that relates to the landing and operation of the existing Yap-Guam cable or of any cable which may hereafter be laid or operated by the United States or by its nationals connecting with the island of Yap.

The rights and privileges embraced by the preceding paragraph shall also be accorded to the government of the United States and its nationals with respect to radio-telegraphic communication; provided, however, that so long as the government of Japan shall maintain on the island of Yap an adequate radio-telegraphic station, cooperating effectively with the cables and with other radio stations on ships or on shore, without discriminatory exactions or preferences, the exercise of the right to establish radio-telegraphic stations on the island by the United States or its nationals shall be suspended.

Article IV. In connection with the rights embraced by Article III, specific rights, privileges, and exemptions, in so far as they relate to electrical communications, shall be enjoyed in the Island of Yap by the United States and its nationals in terms as follows:

(1) Nationals of the United States shall have the unrestricted right to re-

side in the island, and the United States and its nationals shall have the right to acquire and hold on a footing of entire equality with Japan or any other nation or their respective nationals all kinds of property and interests, both personal and real, including lands, buildings, residences, offices, works and appurtenances.

(2) Nationals of the United States shall not be obliged to obtain any permit or license in order to be entitled to land and operate cables on the Island, or to establish radio-telegraphic service, subject to the provisions of Article III, or to enjoy any of the rights and privileges embraced by this article and by Article III.

(3) No censorship or supervision shall be exercised over cable or radio messages or operations.

(4) Nationals of the United States shall have complete freedom of entry and exit in the island for their persons and property.

(5) No taxes, port, harbor, or landing charges or exactions of any nature whatsoever shall be levied either with respect to the operation of cables or radio stations, or with respect to property, persons or vessels.

(6) No discriminatory police regulations shall be enforced.

(7) The government of Japan will exercise its power of expropriation in the island to secure to the United States or its nationals needed property and facilities for the purpose of electrical communications if such property or facilities cannot otherwise be obtained.

It is understood that the location and the area of land so to be expropriated^t shall be arranged between the two governments according to the requirements of each case.

Property of the United States or of its nationals and facilities for the purpose of electrical communication in the island shall not be subject to expropriation.

Article V. The present convention shall be ratified^t by the high contracting parties in accordance with their respective constitutions. The ratifications of this convention shall be exchanged in Washington as soon as practicable^{be}, and it shall take effect on the date of the exchange of the ratifications.^t

In witness whereof the respective plenipotentiaries have signed this convention

and have hereunto affixed their seals.

Done in duplicate, at the city of Washington, this eleventh day of February, one thousand nine hundred and twenty-two.

Appendix XII.

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The following bibliography is by no means exhaustive or complete for the subject covered. For such a one, consult the excellent compilation in the appendix of Ichihashi's The Washington Conference and After. t

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